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INCLUSIVE ECONOMIC GROWTH AND SUSTAINABLE DEVELOPMENT – A CASE STUDY OF RELIGIOUS PHILANTHROPIC ORGANIZATION IN DAKSHINA KANNADA DISTRICT

AshwithaAssistant Professor, Kristu Jayanti College, Bangalore

ABSTRACT

Every economy can be divided among different lines called Public sector, Private sector and Voluntary sector. Public sector consists of various business enterprises owned and managed either fully or partly by central or state Government. Private sector includes the business which owned and managed by the private people for the sake of earning profit. Voluntary sector usually comprised of the organization which is established with the motto of social enrich without profit motive or with little profit. Religious philanthropic organization belongs to Voluntary sector or third sector organization. Philanthropic organization is non-profit non-government organization which is established to provide the social useful service. The basic objective of our study is to find the importance of Philanthropic organization in inclusive growth and sustainable development where the formal sector like public and private sectors are failed to uplift the grass root level from a wide range of socio-economic & management perspectives.

Keywords: Public sector, Private Sector, Voluntary sector, Organization, Inclusive Economic growth, Sustainable development, Philanthropy.

INTRODUCTION

Economies are considered to have three sectors. First, the public sector which is owned and supported financially by either central government or state government. Public sector consists of both public service and public enterprise. This provides the service with the interest of public. The second, Private sector which the part of growth of economic system which is run by the Individual with the motto of earning profit and the last one voluntary sector which non-profit Non-governmental sector which is started with the intention of developing society or rendering the services to the society.

Third Sector is another name by which the non-profit or voluntary sector is known. Government and private sector are being the first two sectors. Third sector organizations are variously identified as voluntary association, civic association, non-government organizations and mutual aid organizations.

Third sector plays an important role in the development of economy. Because the private and public sectors are fails to contribute for the development due to some reasons. To overcome from this voluntary sectors involvement is increasing day by day. The process of liberalization of the Indian economy enabled the mushrooming of a wide variety of third sector institutions and their participation in social transformation programs.

Religious institutions, buildings, and activities have been a major attention of giving in effectively all religious traditions and in countries at all stages of development. Openhanded support for the poor and for the sufferers of disasters has an equally long history. Philanthropic their main aim is to funding for social development (as distinguished from charity) is a somewhat more recent phenomenon. They will Support for schools and hospitals, often through endowments, were its first forms.

Every religion it gives important to the giving other or serving the society as well as the poor people. Hindu religion also known as Sanathana Dharma where they will give more importance to Dana which means giving for philanthropy purpose. Philanthropy is effort of person to promote the social and human welfare. Philanthropy always brings name, fame and Identification to the person who is giving.

In Islamic religion they believe that all people are created by one god and for that reason with everyone they feel brotherly wood. Muslims are required to pay "Zakat," or "poor due" each year during Ramzan time. Zakat is based on the following three ideas: the money used must be lawfully earned. Under the concept of Zakat all wealth after personal and family necessity belongs to Allah and should be shared among the less fortunate, and all philanthropy although practicing social justice may be the moral thing to do, morality may not necessarily lead a society to social justice because unchecked groups doctrines of "good" and "right" may change based on circumstance.

In Christian religion helping other is the social justice instead of individual charity. The responsibility of giving other, helping poor and needy people was rooted both in the life and teachings of Jesus and in the scriptures and Jewish tradition. For the development of society governments pass more and more development responsibility

to private and community level initiatives. Countries must get better existing social service and development institutions, and create many new development activities.

On the basis of availability of resources the philanthropic organization will Building and strengthening institutions and sustaining them on a continuing basis .The main provision of such resources through multi-year grants is the finest form of support. It supports institutions to plan and develop in an orderly fashion, rather than existing from year to year.

OBJECTIVES OF THE STUDY

1. To study the role of Voluntary sector in inclusive economic growth and sustainable development.
2. Reason for the failure of formal sector like private and public sector at the grass root level.
3. To enquire the different activities conducted by the different religious philanthropic organizations in the process of national development in the era of globalization.

SCOPE OF THE STUDY

The scope of the study restricted only to Philanthropic organization in Dakshina Kannada District. This study gives a picture view of role of Philanthropic organization in Inclusive economic growth and sustainable development. The findings of the study and conclusion drawn are based on the analysis of the information collected secondary sources like conference paper, journals, Google scholar and report of Philanthropic organization.

RESEARCH METHODOLOGY

Secondary Data: The journals and the internet are the secondary data tools used for the study.

Because of time constraint authors couldn't collect primary data.

LIMITATIONS OF THE STUDY

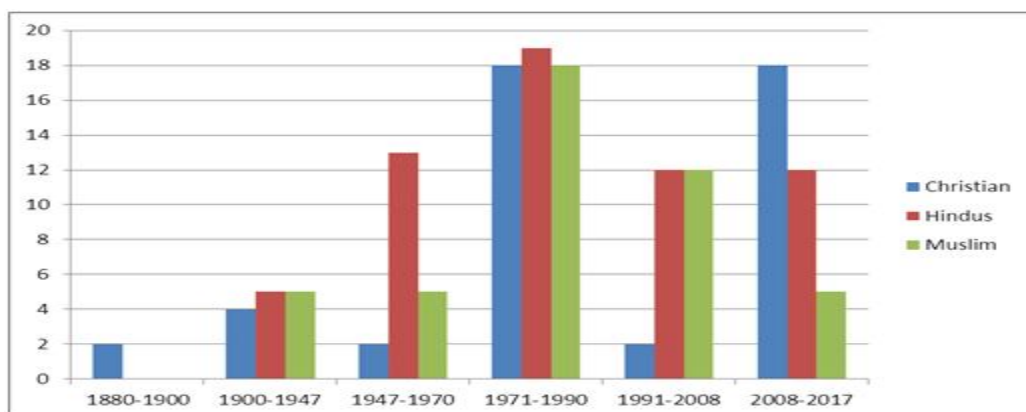
- The study is limited only to secondary data.
- Time constraint
- We considered only the Dakshina Kannada district

DATA ANALYSIS AND INTERPRETATION

Table-1: Establishment years of organization

| Year | Religions | | | Total |
|-----------|-----------|--------|--------|-------|
| | Christian | Hindus | Muslim | |
| 1880-1900 | 2 | 0 | 0 | 2 |
| 1900-1947 | 4 | 5 | 5 | 14 |
| 1947-1970 | 2 | 13 | 5 | 20 |
| 1971-1990 | 18 | 19 | 18 | 45 |
| 1991-2008 | 2 | 12 | 12 | 26 |
| 2008-2017 | 18 | 12 | 5 | 35 |
| Total | 46 | 61 | 45 | |

Source: Journals



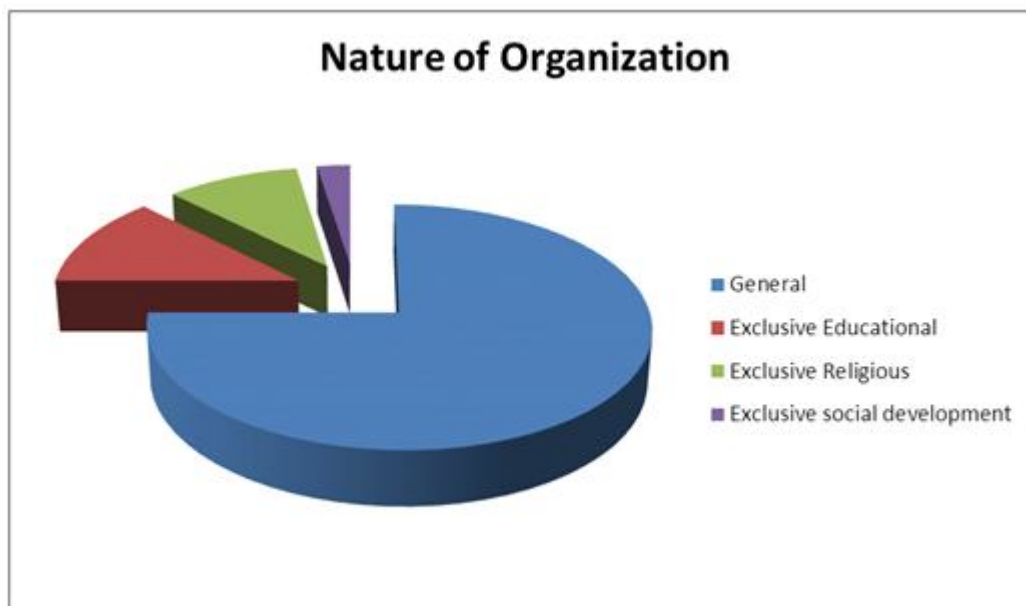
It is observed that more number of religious organizations is established in the year 1971-1990 with compare to other years.

Table-2: Nature of the organization:

| Nature of Organization | Numbers | Percentage |
|------------------------------|---------|------------|
| General | 30 | 75% |
| Exclusive Educational | 5 | 12.5% |
| Exclusive Religious | 4 | 10% |
| Exclusive social development | 1 | 2.5% |
| Total | 40 | 100% |

Source: Journals

From the above data we can observe that most of the philanthropic organization is established with the objective of providing general service to the society instead of establishing with special moto


Table-3: Activities of the organizations

| | |
|---|----|
| Educational programmes for all /girls/dropouts | 37 |
| Medical camp/Medical aid to the needy | 31 |
| Community related programmes | 28 |
| Mass marriages | 11 |
| Awareness about religious activities | 28 |
| Scholarship | 11 |
| Distribution of books / uniforms | 28 |
| Promote rural enterprises | 30 |
| Ensure food security | 28 |
| Help in poverty reduction | 4 |
| Improve gender equality | 12 |
| Promote accessible financial services | 18 |
| Women empowerment | 7 |
| Vocational training for unemployed to secure Employment | 5 |
| Reduce child labor | 11 |

FINDINGS OF STUDY

1. Main objectives of Philanthropic organization are overall development of economy to promote religious values, to establish peaceful society, to impart religious and modern education, to provide general education, health promotion for the needy and to provide homes for the destitute.
2. Even though all the religious organization is religious in nature but 75% of their objectives is to develop the economy in general.
3. Finance is the major problem for every philanthropy organization to achieve its goal
4. Numbers of Philanthropic organizations are increasing year by year.

5. By the various activities of the organization it helps for inclusive economic growth and sustainability development.
6. As per our study the main reason for the failure of private and public sector because of concentration more on profit rather than service.
7. Even the public sector main intention is to develop society they are failed in reaching the policy of the government to the people.
8. In India religious plays an important role so people gives more important to the religious organization rather than public or private sector.

SUGGESTIONS AND RECOMMENDATIONS

1. Philanthropic organization has to earn the trust of the people by providing good service and doing good job.
2. Relationship between the different religious organizations has to be improved by the leaders of religious organization.
3. While providing the services philanthropic organization has to give more importance to field survey to select the beneficiaries so that the development can be reached to the real and poorest among the targeted.
4. Third sector organizations has to appoint agencies for evaluating their performance , so that unbiased appraisal result in designing scientific techniques for socio-economic development
5. Organizations has to concentrate to remove religious /community bias so that all will work together to achieve the overall objectives of the all religions.

CONCLUSION

Philanthropic organization has a strong dedication and determination to develop the economy where the government machinery strongly lacks. . As they operate in grass root levels they can adopt an integrated approach to the overall development and they can experiment upon and improvise projects which can indirectly a help to the government. They can effectively organize awareness camps and provide motivational inputs. They have the capacity to mobilize large groups of the local population, stimulate unity and self-reliance and direct them towards attainment of a particular goal.

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A STUDY ON MOBILE BANKING SERVICES OFFERED BY TRADITIONAL BANKS AND NEW GENERATION BANKS

Aneesha K. ShajiAssistant Professor, Department of Commerce, Kristu Jayanti College, Bangalore

ABSTRACT

In this present global scenario, where everything is innovation driven, mobile banking is something that stands really tall. Banking transactions performing with the help of mobile phones are called Mobile Banking. In a country like India where there is more mobile phones than the total population, using mobile phones for banking transactions provides better access to various services provided by banks. State Bank of India is a leading traditional bank in India which offers various services to its customers and ICICI bank is the largest New Generation bank in India. Mobile banking is the new addition to its innovative range. So this study was carried out to know the level of customer satisfaction of Mobile banking users of SBI and ICICI banks, also to find out the major problems faced by them.

Keywords: Mobile banking, Customer satisfaction

INTRODUCTION

India has an efficient system of banking from time immemorial. An efficient banking system plays a significant role in the economic development of a nation as well as the life style of the people. Traditional concept of banking is limited to accepting deposits and lending money.

Section 5(i) b of the Banking Regulations Act, 1949, defines the term banking as “accepting for the purpose of lending or investment of deposits of money from the public repayable on demand or otherwise and withdrawable by cheque, draft, and order or otherwise”.

With the revolution in information technology, the Indian banking and financial sector has become an undisputed leader in adopting enhanced technologies. Gone are the days when customer had few options and were prepared to wait long hours just for withdrawal or draft issue. Now such and many other facilities are available at their finger-tips even without leaving home. Internet banking, Mobile Banking, ATMs, is the major facilities offered through modern technological innovations. Among this mobile banking service offers wide varieties of services to its customers.

With rapid growth of cellular services in India, banks identified mobile phones as an effective tool to reach maximum customers. To become more efficient, flexible and competitive in today's changing business environment banks are increasingly acknowledging the benefits of using mobile phones in satisfying the needs of modern consumer.

Mobile banking is a term used to refer to systems that allow customers of a financial institution to conduct a number of financial transactions through a mobile device such as a mobile phone or tablet. Mobile banking facility removes the space and time limitations from banking activities. What attracts customers to mobile banking is the round the clock availability and ease of transactions.

The present study focuses on the customer perception of the mobile banking services of traditional banks and new generation banks. It is basically concerned with the customer aspect of mobile banking, customer awareness, searching for customer satisfaction level and adoption of banks.

STATEMENT OF THE PROBLEM

Banking is a customer oriented service industry, where the customer is in focus and customer service is a differentiating factor. Economic reforms of technological advancement have brought about a sea of changes in the operational environment of financial sector and the financial outlook of Indian banks. The banking institutions both traditional and new generation are competing each other in the delivery of their services 24 hours in a day and 365 days in a year at the door steps of the customers. For this purpose they use electronic hardware and software. The various components of this system together called Electronic banking (e-banking). Now a day, the fast and efficient delivery of these services is very essential for survival. One of the most innovative and attractive e-banking services is the mobile banking services which brings the banks to our finger tips.

This study provides an opportunity to study in detail the awareness and satisfaction of customers about the mobile banking services provided by traditional banks and new generation banks. It also focuses in the

consistency of performance of traditional and new generation banks in offering mobile banking services. Hence the study is titled as “**A study on mobile banking services offered by Traditional Banks and New generation Banks with special reference to SBI and ICICI - Pala**”.

NEED AND IMPORTANCE OF THE STUDY

At present both traditional and new generation banks are able to offer mobile banking services efficiently, which resulted in a cut throat competition. So it is essential to conduct a study of mobile banking services of both traditional and new generation banks to identify the present perception of customers of traditional and new generation banks towards mobile banking services provide by them.

Pala is a municipal town, 27km east of Kottayam district. Business enterprises and educational institutions are large in number in Pala. There are a number of traditional and new generation banks functioning in this municipal town. Literacy rate of this region is comparatively very high. So banks can effectively implement its mobile banking services among the customers. Definitely this study helps to identify the customer's perception towards the mobile banking services of traditional and new generation banks also provides a great opportunity to implement more advancements in the quality of mobile banking services of traditional and new generation banks.

SCOPE OF THE STUDY

As we are living in a technological era, the scope of using Mobile Phones in banking services is unpredictably high in present scenario. In a country like India there are a large number of mobile phones than its population. People always expect to avail services with less cost and which is time saving in nature. They give more importance to convenience of using various services.

So providing banking services through mobile phones enhances the dependability of customers on banking services as it is availing in their fingertips.

The new face of Banking changed conventional style of offering banking services. In the current situation a study on mobile banking services of traditional and new generation banks will surely help us to know the customer awareness and satisfaction in the mobile banking services offered by these banks, also helps to make a comparison regarding the consistency of performance of traditional and new generation banks on the basis of satisfaction level of the customers of both the banks. The present study confined to the mobile banking services offered by the SBI and ICICI branches in Pala Municipality.

OBJECTIVES

The study aims at identifying the overall customer perception toward the Mobile Banking Services. The major objectives include

- 1) To assess the performance of traditional banks and new generation banks in providing mobile banking services based on the satisfaction level of customers
- 2) To study the problems faced by the customers of traditional banks and new generation banks.

HYPOTHESIS

The study uses hypothesis testing to assess the performance of the two banks in the domain of mobile banking.

For this, the hypothesis is set based on two sample mean test to examine the consistency of the two banks in respect to service delivery. The study is based on the following hypothesis.

H_0 : There is no significant difference between the satisfaction level of customers of Traditional banks and new generation banks.

H_1 : There is significant difference between the satisfaction levels.

METHODOLOGY

The main objective of the study is to assess the performance of the traditional and new generation banks based on customer satisfaction. Secondary data is used to get the relevant data and questionnaire method is used to obtain the data for the two banks.

Branches of SBI and ICICI at Pala are selected for the study. The sample population is selected from the customers of the two banks on the basis of simple random sampling. Lottery method is used to pick the respondents. From each bank, hundred samples were selected.

To make the comparison between the two banks, customer's satisfaction is measured on the basis of a five-point scale. Then, hypothesis testing is used to examine any difference between the two banks. The test used for the basis of hypothesis testing is two sample mean test.

The second objective is to test the awareness levels between the customers of two banks. Two sets of criteria – age and education are vital to influence the awareness about mobile banking services. Correlation technique is used to measure the relationship between age on the one hand and awareness on the other for the two banks. Similarly, correlation between education and awareness is tested for the two banks to examine the relationship.

Other statistical devices like diagrams and graphs are also used to test the objectives.

The current study is a descriptive study about mobile banking services of traditional banks and new generation banks.

Banks selected

Traditional: State Bank of India (SBI)

New generation: Industrial Credit and Investment Corporation of India Bank (ICICI)

Source of data

Data required for the study was collected from both primary and secondary sources.

Primary data collection: Questionnaire method and interview schedule method were used for collecting the data from the customers.

Secondary data collection: Theoretical backgrounds needed to support the research study were collected from secondary sources such as journals, magazines and web pages.

Sampling plan

The universe: The population of the study was the total number of mobile banking service users of State Bank of India and ICICI bank branches of Pala.

The Sample Size: The sample size needed for the study is taken as 200 and the sample distribution is taken as 100 each from SBI and ICICI banks. The customers using mobile banking services of both the banks at Pala are around 2000 each and thereafter 5 % of them are included in sample size. So it comes to 100 each.

The sampling Technique: Simple Random sampling method is being adopted for the study. Using lottery method respondents were selected.

Plan of Analysis

In this study analysis of the responses is made by using statistical tools such as:

1. Simple percentage analysis

The percentage method is used for comparing certain feature. The data collected for the study is depicted in the form of figures and charts this ensures effective comparison.

2. Weighted Rank Method

Weighted ranking method plays an important role in research surveys in order to identify the significant factors which will affect the crucial decisions of the research study. In this method respondents are asked to rank (1,2,3...) the various factors based on the importance they are giving to each factors. The most significant factor was considered to be the highest rank factor and least significant factor was considered to be the lowest rank factor. In order to calculate the weighted score the obtained weights were multiplied with the respective frequencies available. The weight scores are totaled and averaged to get the weighted average score. The factor which has getting the highest weighted average score is considered to be the most significant factor influencing the various customer decisions.

3. Correlation test

Correlation is a bivariate analysis that measures the strengths of association between two variables. The value of correlation coefficient in statistics varies between +1 and -1. A perfect degree of association between the two variables can be seen when the value of the correlation coefficient lies around + 1, a perfect degree of association between the two variables can be ascertain from this result. As the correlation coefficient value goes towards zero, the relationship between the two variables will be weaker. Usually, in statistics, we consider three types of correlations: Karl Pearson's Rank correlation, Kendall rank correlation and Spearman correlation. In the present study Pearson correlation is used.

DATA ANALYSIS AND INTERPRETATION

Selected criteria for measuring satisfaction

| Criteria for Satisfaction Measurement |
|---------------------------------------|
| Security |
| Easiness to use |
| Service Quality |
| Cost effectiveness |
| Privacy of transactions |
| Customer support |

Criteria for Satisfaction Measurement and Values Assigned:

| Criteria | Values Assigned |
|---------------------|-----------------|
| Highly Satisfied | 5 |
| Satisfied | 3 |
| Neutral | 1 |
| Dissatisfied | -1 |
| Highly Dissatisfied | -3 |

Satisfaction level among customers of State Bank of India

Table-1

| No. | Basis | 5 | | 3 | | 1 | | -1 | | -3 | | TS | TF | Avg | Rank |
|-----|------------------|------------------|-----|-----------|-----|---------|----|--------------|----|---------------------|----|-----|-----|------|------|
| | | Highly satisfied | | Satisfied | | Average | | Dissatisfied | | Highly Dissatisfied | | | | | |
| | | F | S | F | S | F | S | F | S | F | S | | | | |
| 1 | Security | 48 | 240 | 32 | 96 | 17 | 17 | 2 | -2 | 1 | -3 | 348 | 100 | 3.48 | 1 |
| 2 | Easiness to use | 29 | 145 | 59 | 177 | 10 | 10 | 2 | -2 | 0 | 0 | 330 | 100 | 3.30 | 2 |
| 3 | Service Quality | 28 | 140 | 54 | 162 | 16 | 16 | 2 | -2 | 0 | 0 | 316 | 100 | 3.16 | 3 |
| 4 | Cost | 16 | 80 | 53 | 159 | 22 | 22 | 8 | -8 | 1 | -3 | 250 | 100 | 2.50 | 6 |
| 5 | Privacy | 25 | 125 | 55 | 165 | 17 | 17 | 2 | -2 | 1 | -3 | 302 | 100 | 3.02 | 5 |
| 6 | Customer Support | 30 | 150 | 47 | 141 | 18 | 18 | 5 | -5 | 0 | 0 | 304 | 100 | 3.04 | 4 |

Source: Primary Data

Over all mean average- $18.5/6=3.08$

From the above table we can see the satisfaction level of customers of SBI based on six service indicators. By taking average satisfaction of each indicator we can rank the satisfaction level. In this table we can see that service indicator 'Security' occupies the first rank among other indicators, because it has the highest average ie.3.48.

Second position is gained by the service indicator 'Easiness to use'. It has an average of 3.30. Service indicator 'cost' has the lowest satisfaction as it occupies last rank among other indicators. It has an average weight of 2.50.

In the case of satisfaction level among customers of SBI, their overall mean average is 3.08 which lies between the weights 5 and 3, so we can say that customers of SBI mobile banking services are satisfied customers

Where, TS = Total Sum, TF = Total Frequency, Avg = Average

Satisfaction level among customers of ICICI Bank

Table-2

| Satisfaction Level among Customers of ICICI Bank | | | | | | | | | | | | | | | |
|--|------------------|------------------|-----|-----------|-----|---------|----|--------------|----|---------------------|-----|-----|-----|------|------|
| No. | Basis | 5 | | 3 | | 1 | | -1 | | -3 | | TS | TF | Avg | Rank |
| | | Highly satisfied | | Satisfied | | Average | | Dissatisfied | | Highly Dissatisfied | | | | | |
| | | F | S | F | S | F | S | F | S | F | S | | | | |
| 1 | Security | 35 | 175 | 52 | 156 | 10 | 10 | 2 | -2 | 1 | -3 | 350 | 100 | 3.36 | 2 |
| 2 | Easiness to use | 35 | 175 | 53 | 159 | 12 | 12 | 0 | 0 | 0 | 0 | 346 | 100 | 3.46 | 1 |
| 3 | Service Quality | 25 | 125 | 51 | 153 | 21 | 21 | 2 | -2 | 1 | -3 | 300 | 100 | 2.94 | 4 |
| 4 | Cost | 18 | 90 | 45 | 135 | 33 | 33 | 4 | -4 | 0 | 0 | 254 | 100 | 2.54 | 6 |
| 5 | Privacy | 26 | 130 | 64 | 192 | 7 | 7 | 2 | -2 | 1 | -3 | 324 | 100 | 3.24 | 3 |
| 6 | Customer Support | 25 | 125 | 50 | 150 | 20 | 20 | 1 | -1 | 4 | -12 | 282 | 100 | 2.82 | 5 |

Source: Primary Data

Mean average: $18.36/6=3.06$

From the above table we can see the satisfaction level of customers of ICICI based on six service indicators. By taking average satisfaction of each indicator we can rank the satisfaction level. In this table we can see that service indicator 'Easiness to use' occupies the first rank among other indicators, because it has the highest average ie.3.46.

Second position is gained by the service indicator 'Security'. It has an average of 3.36.

Service indicator 'cost' has the lowest satisfaction as in the case of SBI customers. It occupies last rank among other indicators. It has an average weight of 2.54.

In the case of satisfaction level among customers of ICICI, their overall mean average is 3.06 which lies between the weights 5 and 3, so we can say that customers of ICICI mobile banking services are satisfied customers

Comparison Based on Satisfaction level of SBI & ICICI Customers

Table-3

| Service Indicators | SBI | ICICI |
|--------------------|------|-------|
| Security | 3.48 | 3.36 |
| Easiness | 3.30 | 3.46 |
| Service quality | 3.16 | 2.94 |
| Cost | 2.5 | 2.54 |
| Privacy | 3.02 | 3.24 |
| Customer support | 3.04 | 2.82 |

Source: Primary Data

The table shows the level of satisfaction among the customers of the two banks. Security has got number one rank among customers of SBI. On the other hand, for ICICI, Easiness to use has got the first rank while security is the second important factor. Service quality wins the third rank among SBI customers whereas privacy is the third one from ICICI customers. For ICICI, service quality comes fourth. Customer support is the fourth ranked element for SBI customers whereas it is the fifth one for ICICI customers.

Privacy and cost got the fifth and sixth position for SBI among its customers. For ICICI, Cost occupies the last rank.

In overall, the SBI customers are more satisfied compared to the ICICI customers in terms of the six mentioned variables. The ranking of the variables are almost the same whereas in overall SBI edges out ICICI in terms of customer satisfaction.

Problems of Customers

Table-4

| Problems | SBI | | ICICI | |
|--------------------|--------------------|------------|--------------------|------------|
| | No. of respondents | Percentage | No. of respondents | Percentage |
| Security | 7 | 7% | 8 | 8% |
| Technical Problems | 76 | 76% | 74 | 74% |
| Fraud | 2 | 2% | 3 | 3% |
| Other Problems | 9 | 9% | 7 | 7% |
| No Problems | 6 | 6% | 8 | 8% |
| Total | 100 | 100% | 100 | 100% |

From the table it is clear that majority of respondents of SBI (76%) and ICICI (74%) facing technical problems while using mobile banking service. Nearly 7% of respondents of SBI and 8% facing security problems and 6% of respondents of SBI and 8% of ICICI respondents do not have any problems while using this service.

Testing of Hypothesis

HYPOTHESIS

Ho: $\mu_1 = \mu_2$

Or

There is no significant difference between the two bank's performances on the basis of satisfaction levels.

H₁: There is significant difference between the two bank's performances on the basis of satisfaction levels.

Formulas for Calculating mean;

$$\bar{x} = \frac{\sum x}{N}$$

Formula for calculating standard deviation;

$$s = \sqrt{\frac{\sum (x - \bar{x})^2}{N-1}}$$

Test statistics

$$Z = \frac{\bar{x}_1 - \bar{x}_2}{S.E}$$

$$S.E = \sqrt{\frac{s_1^2}{n_1} + \frac{s_2^2}{n_2}}$$

$$\sqrt{\frac{(0.333567)^2}{6} + \frac{(0.353497)^2}{6}}$$

$$= \sqrt{.01854 + .020826}$$

$$= \sqrt{.03937} = .1984$$

$$= \frac{3.083333 - 3.06}{.1984} = .1176$$

Level of Significance = 5%

Degree of freedom= infinity

Table value of z at 5% level of significance = 1.9

The calculated value is less than the table value so we accept the null hypothesis .There is no significant difference between the performances of two banks on the basis of satisfaction level. It is consistent in nature.

FINDINGS

- By assessing the satisfaction level of customers of traditional banks and new generation banks it is found that satisfaction level of customers of both the banks are almost same. SBI has a mean satisfaction level of 3.08, this shows that customers of SBI are satisfied customers and ICICI has a mean satisfaction level of 3.06. So we can understand that the performance of both traditional banks and new generation banks in providing mobile banking services are consistent in nature.
- The major problem faced by the respondents of SBI (76%) and ICICI (74%) are technical problems while using mobile banking service. Nearly 7% of respondents of SBI and 8% facing security problems.
- It is found that majority of respondents of SBI (68%) and ICICI (62%) are started to use mobile banking service as it saves their valuable time

SUGGESTIONS

- The objective of improving customer satisfaction for mobile banking service could be achieved through proper customer education. This can be done by the implementation of a separate customer care unit in each branch of traditional and new generation banks, with technically qualified personnel to provide up to date information to the users and to give suggestions to customer's queries.
- In order to gain customer confidence in this service, traditional banks and new generation banks should improve all its promotional measures. Adoption of high quality may influence the usage rate of the customers
- Like other foreign nations, In India also we need to extend Mobile banking service through social Medias. Providing chat facility for availing banking transactions through mobile phones is also an attractive avenue which can be included in mobile banking services.
- Taking necessary precautions to solve software problems may help the banks to offer these services more economically with high standard.

CONCLUSION

The present study is based on the mobile banking services of traditional banks and new generation banks. Data for the study was collected from the customers of SBI and ICICI at Pala. It was an effort to examine the performance of traditional bank and new generation satisfaction bank based on the satisfaction level of the customers, also helped to check whether there is any difference in the satisfaction level of the customers.

It is evident from the study that the satisfaction levels of customers of both the banks are almost same. That means, there is consistency in the performance of mobile banking services of traditional banks and new generation banks. As far as the awareness level is concerned highly educated persons have more awareness and awareness levels among the young respondents are more compared to aged respondents. So effective measures need to take in order to enhance the awareness level of the customers of all age groups.

In this present study it is evident that both traditional banks as well as new generation banks are offering mobile banking service in an efficient manner.

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A STUDY OF DIGITALIZATION IN MARKETING PRACTICES AND IT'S IMPACT ON DIGITAL SHOPPERS AND BUYERS AS MANAGEMENT OF CHANGE AND COMPLEXITY

Dr. Sandeep Kumar. R¹, Purushotham Raju² and Deepa C³

Assistant Professor¹ and Student^{2, 3}, Dr. Ambedkar Institute of Management Studies, Bengaluru

ABSTRACT

The mankind has evolved through time. Advancements and changes have made planet earth a better place to stay. The digital era has set new standards for the making and selling products and services. Technology has shaped the patterns of business houses to better suit the ever changing requirements of the target segments. Marketing serves the basis for all commercial activities today. Strategists have never denied the use of digitalization in bringing new opportunities for modern firms in attaining their targets. Evolution of Digitalization in the 1990s eventually has given pathway to some sensational marketing which is now a matter of fingertips. The Research conveys the need for digitalization in a huge sector like marketing so as to make it possible to reach every set of customer. It depicts the usage of digitalization in perspective of up gradation so that helps customer afford goods and services at any place, at any given point of time. The Research speaks about the in and out of the Digitalization adopted in the marketing sector which has created revolution in the recent years. This Research aims at presenting some of the major aspects involved in Digitalization of Marketing and thus customer satisfaction is successfully attained. The study comprises of the scope, objectives, limitations and various data to depict the importance of Digitalization in Marketing.

Keywords: Digitalization, marketing efforts, technology advancements, target segments, lead generation.

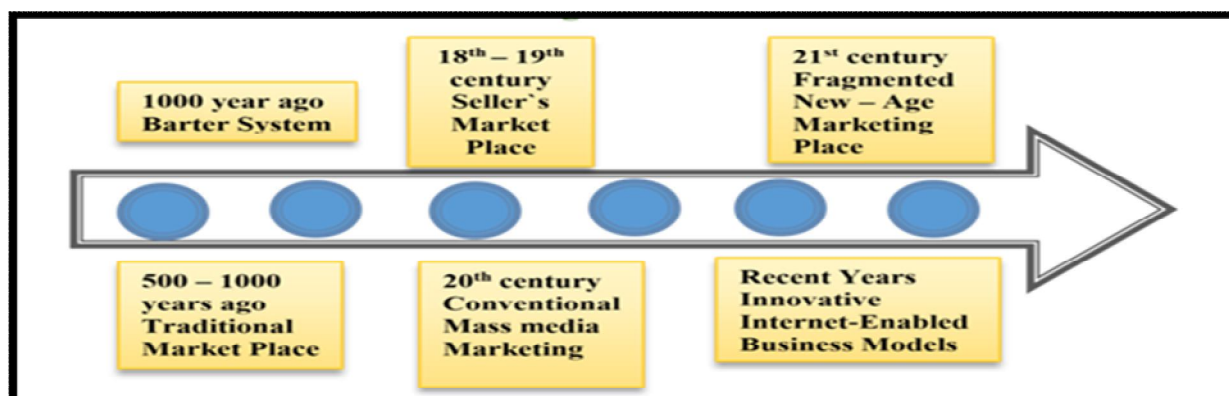
INTRODUCTION

Digital Economy is globally a talk of town in the recent years. Digital economy has grown up to 30% in the past 5 years in U.K. Digitalization is an enabled combination of: a) Cheaper & Smaller Hardware. b) Cloud Based Storage & c) New technology (Robots, AI Machines etc.). Marketing was a trend in olden days in terms of barter system, where goods and services were exchanged for other goods and services. After the failure of barter system the marketing took a Revolution and had its impact leading to introduction of currencies. The dawn of internet began in 1990 which made it simple for the transaction to meet the needs across the Globe. Over the years the concept of mass production as well as supply chain and distributed channels made way to "Sellers marketplace". Radio, Television and Printing advertisement acted as a media through which marketing Spread globally. In 1990's digital marketing was born which created opportunity for the global audience in trading.

Digitalization and success of technology drives companies marketing activities. It has let the following appraisals

- Emergence of new business ventures, Spin off and exits.
- Whole new market (Ex – There were more than 40 acquisition of private companies relating to artificial intelligence and robotics in 2016.
- Unlikely partnership (Ex - that city of Amsterdam partnering with MX 3d and Autodesk to create a metal bridge using 3d printing.
- Collaboration between competitors
- Tech Fund confirmation (Ex- Softbank's Proposed over \$100 Billion Dollar Vision Fund.

EVOLUTION OF SALES AND MARKETING TIMELINE



REVIEW OF LITERATURE

P.K.Kannan (2016): Digital Marketing a Framework Review Research Agenda.

In 2015 Online Sales Accounted for 7.4 % of overall spreading in U.S it is the highest percentage since taking had Began in 1999. Online Sales has increased rapidly 22 to 27 % through Mobile Devices. Digital relationship between customers and corporations are made easy with the help of technological Revolution.

Nina Koiso Kantilla (2004): Digital Content Marketing a Literature Synthesis.

The key Characteristics of Digital content are information recombination accessibility navigation interaction speed and essential zero marginal cost. This article reviews knowledge based on digital products and the differences this product suggest for marketing activities.

Geraint Holliman (2014): Business to Business Digital Content Marketing

This paper aims to draw attention to business to business digital content marketing it is an inbound marketing technique. It offers range of insights and reflection of good practice. Modern marketing tools have provided a good opportunity for marketers to leverage upon the untouched segments and making business houses more prudent and risk averse.

Jennifer Rowley (2018): Understanding Digital Content Marketing

Digital Content is defined as “Bit- based objects distributed through electronic channels”. It is important to seek a Holistic perspective on the definition and nature of digital content marketing. Digital content marketing has paved way to finding the online buyers to connect with the brands and to build strong brand affiliations and develop loyalty among the customers. It serves as a basis of strong customer and brand connect in the digital space.

Arjuna Kumar Sahul (2015): Digital India –A study of New Age E-Entrepreneurship in India. Arjuna Kumar explored India and other initiative like National Digital Literacy Mission (NDLM) Penetration of mobile phone and broadband has increased in significant number and pattern of users has changed. The change has developed as a source of competitive advantage for firms and also the competitors in the market. Customers become the priority, the means through which a brands survivability is predicted.

KEY DEFINITIONS

According to Matt Goulart are given definitions of phrases used in the digital marketing industry.

- a. **CTR-Click- through Rate** identifies the percentage of people who click on link .Usually placed in an email, website page...etc. The higher the CTR percentage, the more people went through.CTR is extremely important for many parts of the digital world.
- b. **CPA-Cost per Acquisition** is a pricing model where companies are charged by advertising platforms only when leads, sales or conversation are generated. It's been around for a while but has been generating much more traffic as a common pricing model in late 2013 and early 2013.Best part about CPA is you are only charged for the results that you want.
- c. **CPC-Cost per Click** is a pricing model where companies are charged by publishers for every click people make on a displayed /test ad which leads people to your company's website.
- d. **CPM-Cost per thousand** is a pricing model advertising impressions are purchased and companies are charged according to the number of times their ad appears per 1000 impressions .It's definitely a favorites form of selling ads by publishers because they get paid regardless by just displaying ads.CPM model really only makes sense if you are trying to increase brand awareness.
- e. **Conversion**-When a visitors takes the desired action while visiting your site, it is called conversion. This can be a purchase, membership sign up, download or registration for newsletter.
- f. **Impressions**-This term is used to define the number times a company's ad will appear to its target audience. Impression could also be related to a website and the number of times the web page appear in total.
- g. **Keyword**-A keyword is word or phrase that your audience uses to search for relevant topics on search engines. If you are a flower shop, a relevant keyword could be “Buy Red Roses “or “Looking to purchase roses from a flower shop”.
- h. **Organic Traffic**-This is traffic that is generated to your website which is generated by a Search Engines. This could be traffic from Google, Yahoo or Bing .It's also known as “Free” traffic. Organic traffic is the best type of traffic.
- i. **Paid Traffic**-Paid search is when a company bids on keywords and makes advertisements around those keywords to be displayed on search engines. These results appear separately, either on the top, bottom or right side of a search results page.

OBJECTIVES OF THE STUDY

1. Developing a Framework for researching digitalization in marketing to excel in marketing field.
2. Integration and setting a research agenda for future research in digital Marketing.
3. Organizing the development and extend research around the elements that have a significant impact.

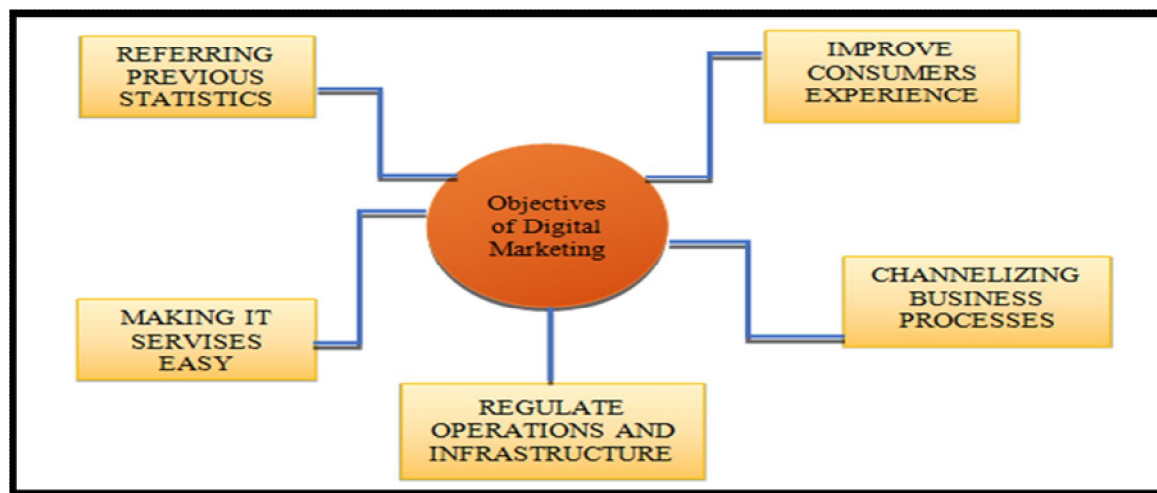
NEED/ IMPORTANCE OF THE STUDY

1. Targeting people based on their tastes and preferences using Technology.
2. Providing best rate of interest other than seasonal benefits to endure customer relationships.
3. Reaching customer using accessories like mobile phone etc., thereby facilitating good reach and coverage.
4. Affordability(less expensive) and new venture start ups find them more easy and reliable.
5. Flexible in nature as it provides online interactions and connections with the prospective customers.
6. Expansion of ones business seems to become inevitable with the improved digital connects.
7. Interactive between customers and marketing firms, enables marketers to better reach out.
8. Helps to generate better revenue and strong loyalty with both present as new customers.

STATEMENT OF PROBLEM

Digitalization has often played a vital role in a firm's prospect. It is the need of the hour keeping in mind the strong connects leverage. Marketing has defined standards for both customers and companies. They dictate the norms of effective utilization of the target segments in favour of a brands success. Digitalizing the marketing may sound very simple but they have a lot to inculcate before finalizing the ultimate content. Digitalization of marketing includes a wide range of activities: Training individuals, Hiring top talent, Identifying right Technologies, Securing enough budget, Identifying right customer, fixing rate of interest based on marketing activities, Competition with international audience and managing your website. A detailed analysis is required to better face the digital complexities. This study covers all the aspects.

OBJECTIVES OF DIGITAL MARKETING



- Improve consumer's experience.
- Channelizing business processes.
- Regulate operations and infrastructure.
- Making IT services easy.
- Referring previous statistics (utilize Analytics).

RESEARCH METHODOLOGY

Methods of Data Collection

Through in order to reach above stated objectives primary data and secondary data was extracted from SM GUIDE (Digital marketing body of knowledge and Google Search engines respectively in order to present the research more technically, keeping in mind the facts.

Statistical Tools and Techniques

The present study used for different statistical Tools and techniques for analysis and interpretation of data such Bar graphs, Pie charts.

SCOPE OF THE STUDY

1. **Internet Users:** The total number of using internet in 1995 was less than 1% of the world population. But now 40% of the world people are using the internet.
2. **Mobile Phones:** Most of the people are using mobile phones for communication. As per a report 4.77 billion phones are using globally. Mobile Phones are smart phones with internet access which allow to customer to connect with their business.
3. **Targeting the customer:** It is difficult to make awareness to the public with specific demographics and details. Today we can reach an customer by age, gender, location, education etc.,
4. **Low Cost and High Rate of Interest:** Most of the small and middle scale companies are mostly on digital marketing due to less cost and high returns.

DATA ANALYSIS AND INTERPRETATION

Chart-1: The Factors Contributing To the Adoption Of Digitalization in Marketing

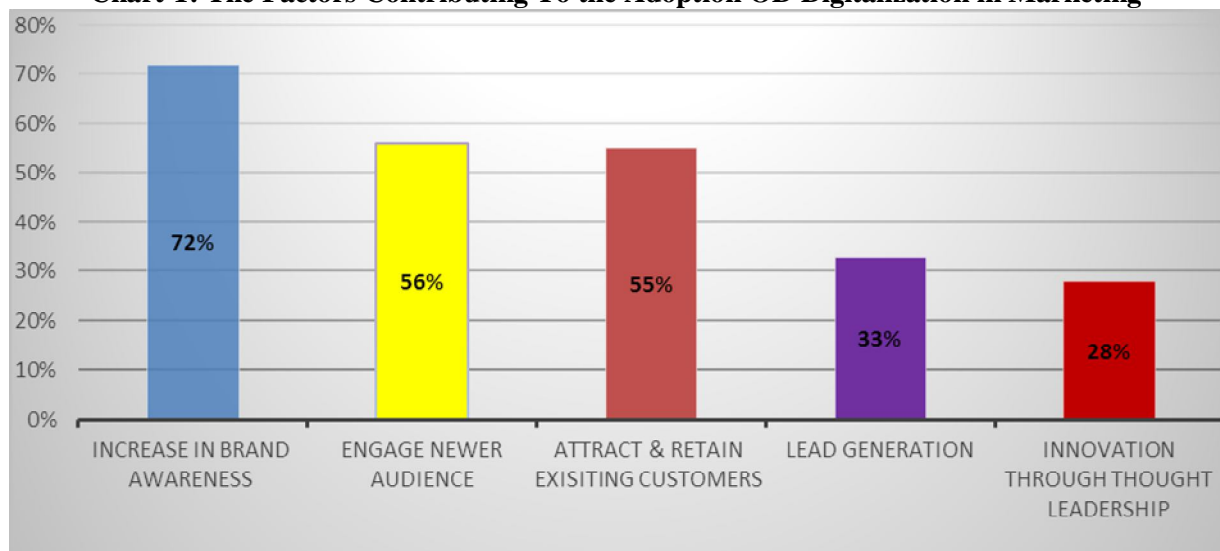
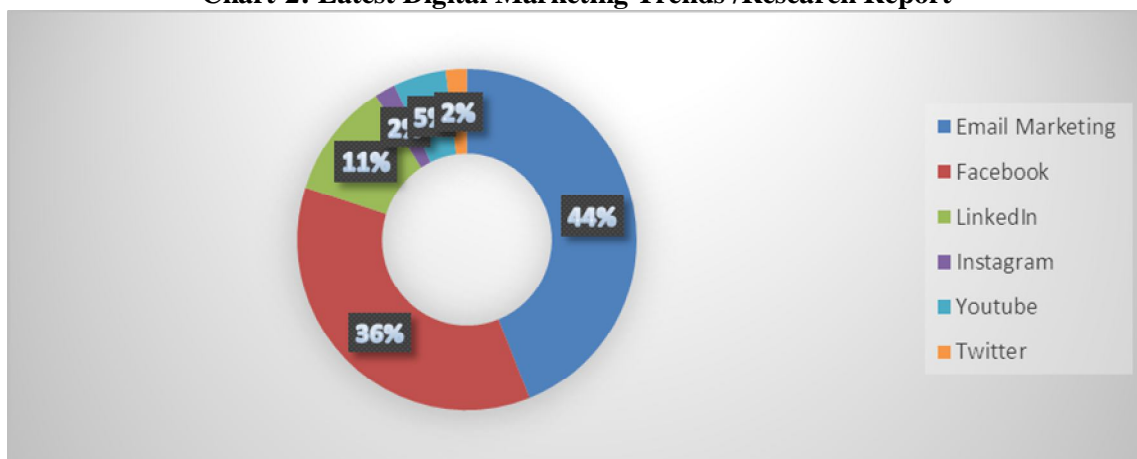


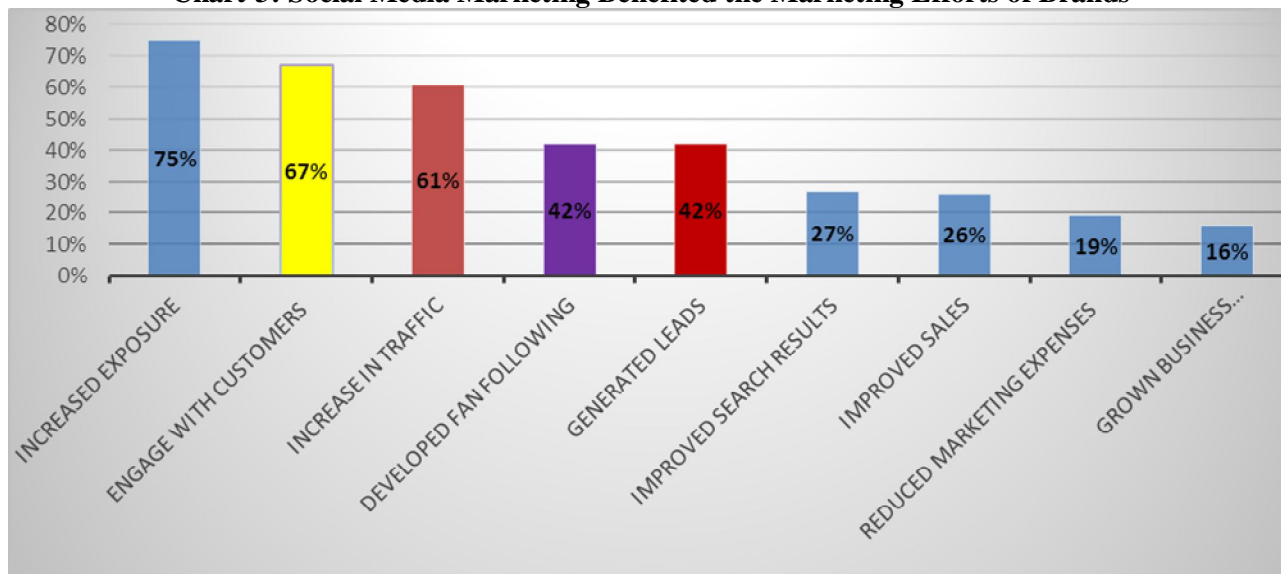
Image Source: Octane Research's Digital India 2016 Study

It has been observed in digitalization in marketing. It is increasing in brand awareness to the people as a 72% and engaging new audience is 56% it has 55% in attracting and retain existing consumers. Leading generation as a 33%. It has innovating leadership as a 28%.

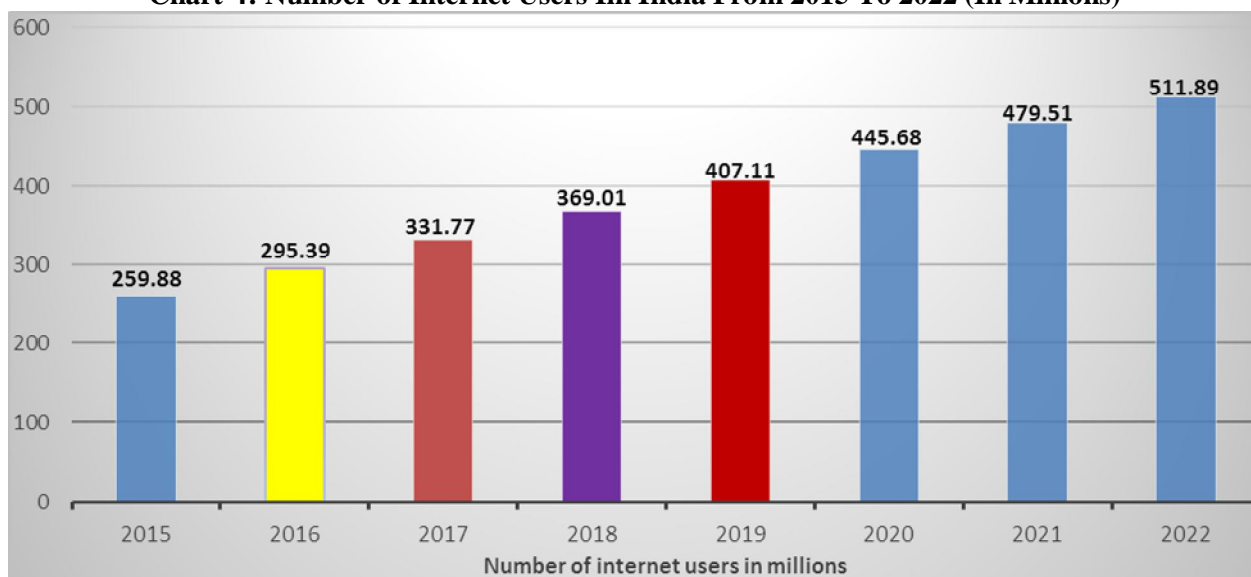
Chart-2: Latest Digital Marketing Trends /Research Report



The pie chart is about latest digital marketing in Email marketing is increasing in 44% and Facebook as a 36%. In LinkedIn as an 11%, it has come down to 2% as a Instagram and Twitter. Using in YouTube is 5%.

Chart-3: Social Media Marketing Benefited the Marketing Efforts of Brands


The Graph depicts the social media marketing is increased in exposure is 75% as well as making awareness to the customer is 67% and increased in traffic will be 61%, the equal maintaining in both 42% in developed fan following and generated leaders. It improved in search result and improved in sales is 27% to 26% they are in reduced marketing expenses as a 19% and grown business partnership as a 16%.

Chart-4: Number of Internet Users in India From 2015 To 2022 (In Millions)


The Graph is showing about the number of internet users in millions increasing from 2015 to 2022. In 2015 was 259.88, it has increased to 295.39 in 2016, it was increased in 2017 is 331.77 and in 2018 is 369.01, in 2019 internet users was increased by 407.11 and increased in 2020 is 445.68, in 2021 and 2022 was increased to 479.51 and 511.89.

KEY FINDINGS

1. It has been observed in digitalization in marketing, it has increased the brand awareness to the people as a 72% and engaging new audience is 56% it has 55% in attracting and retain existing consumers. Leading generation as a 33%. It has innovating leadership as a 28%.
2. The latest digital marketing in Email marketing is increasing in 44% and Facebook as a 36%. In LinkedIn as an 11%, it has come down to 2% as a Instagram and twitter. Using in YouTube is 5%.
3. Social media marketing has increased in exposure is 75% as well as making awareness to the customer is 67% and increased in traffic will be 61%, the equal maintaining in both 42% in developed fan following and generated leaders. It improved in search result and improved in sales is 27% to 26% they are in reduced marketing expenses as a 19% and grown business partnership as a 16%.

4. The number of internet users in millions increasing from 2015 to 2022 .In 2015was 259.88, it has increased to 259.39 in 2016, it was increased in 2017 is 331.77 and in 2018 is 369.01, in 2019 internet users was increased by 407.11 and increased in 2020 is 445.68, in 2021 and 2022 was increased to 479.51and 511.89.

SUGGESTIONS

1. Adequate research in advance is necessary to develop a methodology in using the right tools of digitalization for a brand's promotion and marketing related efforts.
2. Integrate all Marketing channels, as it enables in establishing a chamber which helps companies to connect with the target segments at multiple touch points.
3. The purchasing process has to be better understood by marketers, as not all customers get influenced by the digital sphere of marketing, others also should be focused and captured.
4. Using social media as a base to promote in marketing is the essential requirement for a brand's survivability.
5. To curtail advanced expenses and spend wisely, as digitalization can siphon off a major portion of brands revenue.

LIMITATIONS

1. Proprietary issues: use of copyrighted information of corporate may lead to legal complications.
2. Collection of data was a hectic task, due to the presence of several un-official and scrupulous data.
3. Inadequate resources like cost and time.
4. Corporate don't reveal all the information, hence the study becomes a one-sided approach.
5. The area of digital space is very wide; it is difficult to cover all the related aspects.

CONCLUSION

Customer Relationship Management is a mainstream of current marketing field. Digitalization on Marketing is a step taken to build a bridge between customer and firms and the digital space. It has helped brands to re-discover their potentials and re-introduce them to the market. The current trend in the recent past is showcased with bar graphs, pie charts and data show the companies globally. The integration of Digitalization in marketing becomes more important in making business carry it to every corner of earth. Optimization of firm's resources to allocate the revenue for activities enabling the long term success of a business is an integral part of today's business. Companies have realized the enduring benefits of digitalization in marketing, not to forget the share of complexities involved. Many new venture start-ups have banked upon digitalization as a means to connect with new customers, re-connect with lost customers and create a new avenue for further penetration into the untapped market segments.

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NEW FINANCIAL INCLUSION FOR ECONOMIC EXTENSION IN INDIA

Chandrakala M¹ and Dr. H. H. Ramesha²Assistant Professor¹, Department of Commerce, Kristu Jayanti College, BengaluruAssociate Professor², Department of MBA, Visvesvaraya Technological University, Muddenahalli

ABSTRACT

In the world, India is extrapolate to be blow up large economy for the rest of the decade, according to projections from the world, but the most problems or disturbing fact is about its growth in the economic activities. It was unbalanced in its development, growth and performance and its economic development activity. However for achieving the motives, financial services will be providing the better services to use resources generation and utilization of resources the financial inclusion is required. Its role is very important in the development of economic growth. The most of the rural population is still not included in the inclusive growth, the concept of financial inclusion becomes one of the best challenge for the Indian economy. Since 2005, many concerted measures are started by the Reserve Bank of India and Government of India in favour of financial inclusion.

Keywords: Financial inclusion, Business correspondents, Indian economy.

INTRODUCTION

The financial system provides the facility as a development of economic development. The financial institutions will acquire the funds and allocate the funds to entrepreneurs, new start ups, businesses, households and government for investment projects and other purposes with a view of getting back the return and also the development and growth of economic activity. This develops the economic development in modern economic areas. The major part of the population is not well educated and well about the saving habits. The present days, the differences between economic and social unbalanced will increased high growth rates and increased in regional inequalities. More than twenty five percentage of Indian are lived in the poverty line. It shows the need of financial Inclusive will results the national policy objective of the Government. And it results the need for financial inclusive will play a vital role in the Indian economic development. Financial inclusion will address the populations to take active participation in their saving and also the development of economic development activity. The financial inclusive will increased the economic development and it will provides the equal distribution of growth as well as the equitable opportunities to all. In the present days the financial inclusive services need as a instrument to attain the good reference to develop the economic activities in Indian States.

REVIEW OF LITERATURE

Greenwood et.al (1990) tried to address two vital issues in economic growth theories in a single model. There is a relationship between economic growth and inequality and the support and relation between the financial structures and economic development activity. They said like the financial development activity will gives the high returns to the investors. On the other hand it will leads to the growth of the economic activities.

Pillai (1995) In this review the micro finance is badly needed to overcome the operation, start up, create the self reliance, create the confidence among the rural women to start saving and to invest in the banks. It will leads to reduces the rural poverty line and proper cash flow in the rural development activities. It will increased the credit creation from the financial institutions. And proper self confidence and self reliance among the rural women to develop their economic requirements in that particular regions.

Pillai (1995) the micro finance is a more powerful tool for the poverty reduction in the developing country. The micro finance will support to the Self Help Groups – Bang Linkage Programme in India. They will provides cost effective tool for providing financial services to the Self Help Groups, poor and rural women's to leading to their empowerment. By accessing to financial service rural poor people can overcome exploitation and create self confidence especially in women. Micro finance should provide flexibility in the credit instrument to get more or different credit requirements without the high cost of interest.

Hulme and Mosley (1996) In this review they suggested that micro finance will plays a very important role in the rural development process, it will support to the member to use the finance in a proper allocations and also the develop the economic activities in that regions. And also the investors will get proper returns on their investment, and will increases the saving habits from the rural populations

Benjamin and Piprek (1997): In this review we can identify the traditional approach in the rural finance. The most problem in rural areas is lack of the fiancé and flows of the finance. There will be lack of technology. Its will leads in the low flow of the finance in the rural places the Investors may not interest to invest in regions. So the financial institutions will support to overcome of all the problems which is arises in the rural areas. And make the rural populations to start to saving habits, to starts up with small business to develop that particular regions.

Kempson and Whyley (1998): In this review suggest that the financial exclusion will results in the low income sections and poverty line. The financial inclusions will provides better financial services to over the problems which isarised in the rural areas.Itwll also results in the development of economic activies.

Puhazhendi and Satyasai (2000): In this review they suggested that micro finance will have more impact on economic aspects than social. If social aspects if it starts it will leads with the development of economic development.

OBJECTIVES OF THE PAPER

- To study how inclusive growth is needed.
- To get aware of the financial exclusion/inclusionservices in India.
- To get the growth of diversity in Indian states with the help of financial inclusion in the development of economic activity.

RESEARCH METHODOLOGY

The research has been done with the help of using secondary data. Taking into natural hierarchical grouping cluster GDP per capital and clusters.Flow of cash in the sectors, literacy rate, unemployment rate and index of financial inclusion (Johnson R.A. andWichern D.W., 2000). To determination of measure of similarity are based on Euclidean distances between multidimensional observations.As been disclosed by considering average linkage between the groups. The growth in economic activity is depends on the finance assitstant provided by the financial inclusions.

NEED FOR INCLUSIVE GROWTH

India needs financial inclusive services to growth in order to attain rapid development and disciplined growth. With the help of financial assistant given by financial inclusives the sustainable economic development and equitable distribution of wealth will be increased in the nation. They have to face lot of challenges to achieve their goals that will leads to development of Indian economy and also proper utilization of natural resources. This will leads one of the challenge to take the levels of development of all the sectors of the country. The Rapid growth in the rural economic development activities, sustainable urban economic conditions, infrastructure development, health, ensuring future energy needs, a healthy public-private partnership, Business organisation, Making all the sectors are equal in the society so that all the sectors they can achieves its motives in equitable.

The main areas are needed for the financial inclusive growth can be done with considering the following points

- Reduction of poverty and redundancy.
- Reduce of income imbance.
- Development in Agriculture Sectors.
- Demotion Regional Imbalnces
- Development in Social Sectors.

However to attain the motives of financial inclusive services growth there is a need for resources, To improve the economic activiteis we have to generate and mobilization of resources with the help of financial services. With the help of Financial services can solve the problem of resource availability, mobilization and allocation to develop in the economic activities.

FINANCIAL INCLUSION

By financial inclusion, means of financial services, The financial assistant banking services and providing credit facility, at an reasonable cost to all the sections. The financial assistance include mobilization of savings, loans, insurance, payments and deposits facilities offered by the formal financial services system.

Rangarajan Committee (2008) states that financial inclusive“*The process of getting the financial assistant from the required institutions and provide or lending a loan to the need groups or weaker sections group at affordable cost.*”

ROLE OF FINANCIAL INCLUSION

Financial Inclusion is crucial for extended growth of India, with more than twenty five percentage of its population living in below poverty government's will support towards their growth and development is more, the financial inclusive is one of the measure which will help to provide the high solution to the poverty and unemployment.

Providing access of financial services has significant and improves to help to come out from the poverty. Financial inclusion promotes to develops to improve the saving habits and to use that in a proper resources allocation so that the economic activities are leads to development in the developing economic activities.

FINANCIAL INCLUSION ARE FINANCIAL GROWTH OF THE INDIA

Poverty will arises because of non availability on financial assistant and the unemployment opportunities arises from the different sectors. The providing banking services, by developing the scale of economy and making fully utilization of targeted subsidies to remove market inequalities and facilitate financial assistant of the poor, ultimately it will leads to high flow of income. The use of the financial services by poor's would improves to their consumption smoothing and investments in banks, providing the education to over come from unemployment, and improves the economic development activities.

Inclusive growth if develops the systematic flow of information about the financial services will helps to improvethethe cash flow, development of asset building and improves the economic mobility and improves the low income groups people.

Source:Ford Foundation, US Strategies; informs that the High-Quality Financial Services will Help Low-Income people. The development of economic activities is not possible without financial inclusive. However one need to understand that inclusive finance is a long term phenomenon which cannot be achieved with short duration, especially with regard to developing country like India where the availability of financial services is constrained by several points such as lack of awareness, unemployment high transaction costs, and inconvenient, inflexible and low quality of products.

EXTENT OF FINANCIAL INCLUSION IN INDIA

Several countries around the world recently look that the financial inclusion will increased the growth of economic activity. Each individual of the country is able to use the his/ her earning should be invested in the acquisition of financial resource that may help to the mobilization financial activities as the means for a more extensive growth, wherein, each citizen of the country is able to use his/her earnings should invested in the financial resource that they can use to work to improve their future financial status and simultaneously contribute to the nation's progressand sustainability. Financial inclusion has always been accorded high importance by the Bankers Bank and Government of India to aid the inclusive growth process for the economic development activity.

However to find out the group linkages the study has taken place cluster analysis of few selected states on the basis of parameters such as GDP per capita (annual), Unemployment rate, Illiteracy rate, and Index of Financial services of the states. It indicates the linkage between the various groups formed on the basis of above said parameters.

The analysis shows that at five rescaled distance three major clusters emerged from the considered parameters.

Cluster-1 Comprises of statesGujarat Karnataka, Kerala and Maharashtra.

Cluster-2 Comprises of states like Gujarat, Kerala, Tamil Nadu, Maharashtra, Mizoram, Orissa Rajasthan and Meghalaya

Cluster-3 Comprises of states Meghalaya, Orissa, Manipur and Uttar Pradesh.

The clusters are subgroup within the states showing inter linkages amongst the clusters.

- It is states that the states with highest financial inclusion not only account for high GDP per capita and Literacy rate but also for high rate of unemployment.
- However it is found that Gujarat is one such exceptional state where the GDP per capita & literacy rate is higher than the country's average and the rate of unemployment is also low but the financial inclusion of this state is considerably low.

CONCLUSIONS

Inclusive growth are very depends and equal contribution to the development and growth of the economic activity. The financial inclusion is one of bettert financial assistant will provide equal opportunities to all the

sectors to development of country economic growth. It will understood by the state that improvement, orderly growth, order needs to be developed with regard to inclusive finance. The changes of financial inclusion with differ from states of the country. The three states like Maharashtra, Kerala and Karnataka accounts for higher rate of financial inclusion but the states such as Gujarat, Manipur, Assam, Bihar, Uttar Pradesh, and Madhya Pradesh, states are completely depends on financial inclusion.

Unfortunately the problems of expanding with the reason of demographic and geographical changes from the sustainability and perspectives of business models are not equalizing the various innocatives technologies are initiated by Central and state government. But all the efforts given by the State and Central government are not good enough to encounter this staggering issue of financial exclusion.

Financial services and level of awareness continue to remain an issue with regard to usage of financial services/products. But they have to promotes the financial assistants to the needy sectors. Financial services will support and coordinate of all the share holders stakeholders like sectorial sections, small financial institutions, governments, civil societies, NGOs, are achieve the motives of financial inclusion. Without financial inclusions the most of the states and the country are faced the many problems to develop and maintain the sustainable development in the economic activity.

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A STUDY ON THE IMPACT OF WORK FORCE DIVERSITY IN ORGANIZATIONAL PERFORMANCE WITH SPECIAL REFERENCE TO BANGALORE

Bijin Philip and Vineetha Vijayan

Assistant Professor, Kristu Jayanti College, Bangalore

ABSTRACT

Workforce diversity refers to a combination or a mixture of human resource from different ethics, background, ages, gender and nationalities. Organizations today are more diverse than before. Hiring top and efficient talent from different background is an accepted business practice in most of the organizations. Efficient and effective work force management led the organizations become to competitive and innovative. Also work force diversity brings with it a number of challenges in the form of discrimination, sexual harassment etc. The main focus of the study is to examine the effect of work force diversity in employee performance and analyze the liaison between work force diversity and employee performance. The study also concentrates to know the different measures taken by the business organization to manage the work force. The researchers collected data from 100 employees through structured questionnaire and used simple random sampling techniques for data collection. The researchers used regression analysis, factor analysis and percentage analysis for data analysis and interpretation. This study revealed that, efficient and effective work force diversity management improved the employee performance in different aspects and has also helped the organization become competitive and innovative.

Keywords: Work force diversity, Employee performance, Diversity Management

INTRODUCTION

The success of any organization today lies in the work force it holds. The similarities and variations among employees in terms of cultural background, age, race, physical abilities and disabilities, religion and gender constitute work force diversity. A heterogeneous environment in an organization is formed because of diversity, not only in terms of gender, culture or race but also in their preconceptions and perspectives. Currently, having a diversified workforce is necessary for all organizations but the difficulty lies in the management of such diversified workforce. Now the world has recognized India as one of the economic drivers in world scenarios. Companies are eager to explore the opportunities prevailing here. Workforce diversity also has an impact on the way an employee acts and reacts to given situations in an organization. The management has to analyze the factors that would affect the employee performance and set policies to enhance it. The main objective of the study is to determine the impact of workforce diversity on organizational performance in Bangalore city.

REVIEW OF LITERATURE

Parul Dixit: Managing Workforce Diversity in Competitive Environment:- This study was conducted to know how different companies maintain effective workforce diversity management system and how it impacts the organization's competitive advantage against its competitors. Also the study explains the various diversity management practices adopted by the MNC companies in India.

Byeong Yong Kim: Managing Workforce Diversity: Developing a Learning Organization:- In this study the researcher explains the definition and advantages of effective workforce diversity management. This study also throws light on the different diversity management strategies adopted by various companies.

Preeti bedi: Workforce Diversity Management: Biggest Challenge Or Opportunity For 21st Century Organizations: - The study aims to analyze different challenges and opportunity of workforce diversity in business organizations. The study also focused to know how the organizations manage the workforce diversity.

Margaret Ngina Kioko: Factors Affecting Workplace Diversity Management in Organizations: A Case Study of Lake Nakuru National Park, Nakuru County: The study was conducted to know the various factors that influence the work force diversity management in organizations.

IMPORTANCE OF THE STUDY

Workforce diversity means a combination or mix of workers from different ethics, ages, gender and national background. Now a days most of the Indian companies are adopting the concept of workforce diversity and it highly influences and strengthens the organizational performance. In the 21st century workforce diversity is the one of the biggest opportunity and at the same time the biggest challenges. Hence this study is important to know the impact of the workforce diversity in organizational performances, diversity factors that influence the employee's organizational performance and find out the various opportunities and challenges of workforce diversity.

OBJECTIVES

1. To analyze the impact of workforce diversity in employees organizational performance
2. To study the different diversity factors that influence employees in an organization
3. To analyses the opportunities and challenges of effective workforce diversity management

METHODOLOGY

This study is mainly based on both primary and secondary data. The primary data was collected by the researcher from 100 employees from various companies in Bangalore and secondary data was collected from various websites, journals and articles etc. The researchers used simple random sampling technique for collecting the primary data through a structured questionnaire. Factor analysis, Regression analysis, and percentile analysis has been used by the researcher for analyzing and interpreting the data through SPSS tool.

HYPOTHESIS

| | |
|-----|---|
| H1o | There is a no impact of workforce diversity in organizational performance |
| H1a | There is an impact of workforce diversity in organizational performance |

DATA ANALYSIS AND INTERPRETATION

To identify the different diversity factors that influence the employee's performance, the researcher has used factor analysis.

Table-2.1: KMO and Bartlett's Test

| KMO and Bartlett's Test | | |
|--|--------------------|---------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | .693 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 153.247 |
| | Df | 54 |
| | Sig. | .000 |

From the above table KMO value is .693 which is greater than 0.60 which states that this data is appropriate to carry out the factor analysis and all the 14 factors communality value is more than 0.4 which means all the factors that influence the customer purchasing behavior.

The number of factors to be chosen is based on the Eigen values of the factors (>1) and the total variance explained by such factors (60%). In the present case, we take 4 factors for further analysis since they have Eigen values >1 and total variance explained is 62.231%.

Table 2.2 rotated component matrix^a

| Factor | | Component | | | |
|----------------|----------------|-----------|-------|-------|-------|
| | | 1 | 2 | 3 | 4 |
| Qualifications | Skill | 0.764 | | | |
| | Knowledge | 0.662 | | | |
| | Education | 0.546 | | | |
| Religion | Cast | | 0.665 | | |
| | Beliefs | | 0.558 | | |
| | Festival | | 0.51 | | |
| | Ethics | | 0.445 | | |
| Gender | Male | | | 0.887 | |
| | Female | | | 0.886 | |
| | Transgender | | | 0.774 | |
| | Age | | | 0.554 | |
| | Marital status | | | 0.459 | |
| Locality | Culture | | | | 0.661 |
| | Weather | | | | 0.543 |

As per the factor analysis, it is clear that there are mainly four diversity factors that influence the employee performance such as Religion, Gender, Locality and Qualification.

To analyses the impact of impact of workforce diversity in employee's organizational performance the researcher has used regression analysis.

Table-2.3: Regression Analysis

| Dependent Variable | Impact of workforce diversity |
|----------------------------------|--|
| Predictors(Independent Variable) | Religion, Gender, Locality and Qualification |
| R Square Value | 45.23% |
| F value of the model | 57.4 |
| Significance | 0.001 |

From the above table R Square Value = 45.23% which means there exists an approximate of 65 percentage positive impact on workforce diversity in employee's organizational performance. The F value of the model is 45.23 and significant value is 0.001 which is less than 0.05 so the researcher rejects the null hypothesis and accept the alternative hypothesis. That means there is an impact of workforce diversity in employee's organizational performance.

| | | |
|-----|---|--------|
| H1o | There is a no impact of workforce diversity in organizational performance | Reject |
| H1a | There is an impact of workforce diversity in organizational performance | Accept |

To analysis the challenges and opportunities of workforce diversity the researcher has used percentiles analysis.

Table-2.4: Employees Satisfaction level - Benefits

| Benefits | Employees Satisfaction level | | | | | |
|-------------------------|------------------------------|----|----|----|-----|-------|
| | SA | A | N | DA | SDA | Total |
| PROCTIVITY | 54 | 12 | 16 | 12 | 6 | 100 |
| New ideas | 58 | 23 | 5 | 10 | 4 | 100 |
| Team work | 45 | 20 | 16 | 13 | 6 | 100 |
| Learning & Growth | 44 | 32 | 22 | 1 | 1 | 100 |
| Effective communication | 28 | 22 | 32 | 10 | 8 | 100 |
| Diverse experience | 22 | 23 | 44 | 2 | 9 | 100 |

Figure-1.1: Employees Satisfaction level - Benefits

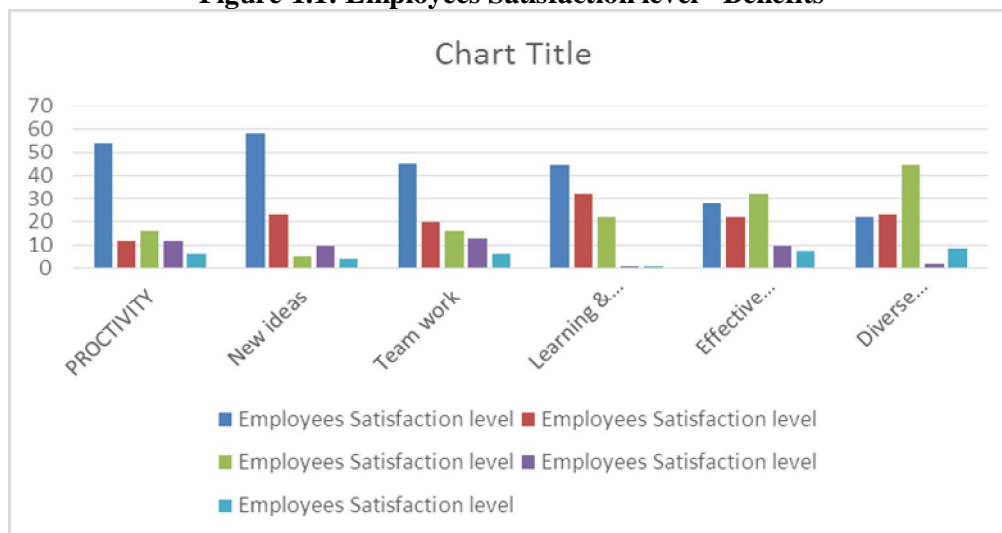


Table-2.5: Employees Satisfaction level – Challenges

| Challenges | Employees Satisfaction level | | | | | |
|-------------------|------------------------------|----|----|----|-----|-------|
| | SA | A | N | DA | SDA | Total |
| Fair Treatment | 42 | 25 | 13 | 9 | 11 | 100 |
| Ethnocentrism | 19 | 12 | 56 | 9 | 4 | 100 |
| Discrimination | 65 | 22 | 5 | 3 | 5 | 100 |
| Harassment | 33 | 33 | 21 | 11 | 2 | 100 |
| Miscommunication | 28 | 22 | 32 | 10 | 8 | 100 |
| Cultural barriers | 44 | 22 | 11 | 14 | 9 | 100 |

Figure-1.1: Employees Satisfaction level - Challenges



Based on the above table it is clear that productivity, new ideas, and team work are peak benefits of workforce diversity and discrimination, cultural barriers are the highest challenges in work force diversity.

CONCLUSION

Today, most of the firms in India adopt the concept of workforce diversity and they concentrate more on it in order to improve and establish an effective workforce management system. Efficient and effective workforce diversity management system improves the productivity and growth of the business. In this 21st century, companies and corporates need to know the opportunities and challenges of workforce diversity and they have to introduce strategies and policies for sustainable development for both, the organization as well as our country.

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INTEGRATED SUSTAINABLE GREEN ENTREPRENEURSHIP FOR NORTH EAST INDIA

Surjit Singha and Ranjit Singha

ABSTRACT

North East India with seven sisters and one brother, a territory with diverse culture and multi-language is blessed with rich flora and fauna. It includes the territory of Assam, Manipur, Meghalaya, Arunachal Pradesh, Mizoram, Tripura (The Seven Sisters) and Sikkim (The one brother). In this article the possibility to venture "Sustainable Green Business for North East India" is being studied, various case studies, articles and research of the North East Geographical area are being studied and analyzed to draw a final conclusion. The unique traits of sustainable living of the Koch Rajbongshi Tribe of North East India were explored and provided a base as an example for sustainable living.

Keywords: North East, Sustainable Green Business, Assam, Manipur, Meghalaya, Arunachal Pradesh, Mizoram, Tripura, North Bengal, Sikkim, Koch Rajbongshi

INTRODUCTION

North East India comprise of Assam, Manipur, Meghalaya, Arunachal Pradesh, Mizoram, Tripura, Sikkim are located in the North East Part of India, the region share more than 4,500 kilometers (2,800 mi) of International Border with Tibet, China in the north and Myanmar in the east, Bangladesh in the South, Bhutan in the North West. North East comprised of 262,230 square kilometers (101,250 sq mi), almost 8 percent of that of India's geographical area. The state of the North East Region is officially recognized under the North East Council (NEC) which was constituted in the year 1971. In the year 2002, Sikkim was added as a part of the North East Region. The North East region can be further categorized on the basis of its physiographic, like Eastern Himalaya, the Patkai, and the Brahmaputra and the Barak Valley Plains. The Highest Mountain peak is Kangchenjunga which is about 8,586 m (28,169 ft). The region is rich with mineral resources, Flora and Fauna.

INTEGRATED SYSTEM OF AGRICULTURE AND FARMING: PROBLEMS, CHALLENGES AND SCOPE

Integrated system of agriculture is an organic scientific system of operation and management for sustainable farming. The ultimate aim of integrated system of agriculture is to produce high quality organic food for humans and animals and produce renewable energy by using organic natural resources for the operation and management of cultivation and rearing.

Ideally in an integrated system of agriculture as per European standards, Integrated Farming- UNI 11233-2009 of New European Agriculture Organic Standard (IF), the best of the modern tools are being used. However for the North East Region the generic local tools are being used ideally for cultivation and harvesting. The ancient traditional methods of cultivation and harvesting are being followed still today in this 21st century, which is also believed by the aboriginal people of the soil.

One of the primary reason for the lack of the integration of the most modern technology in the cultivation is because of lack of electricity in the remote territory in the North East India, the terrain texture of the territory, the hilly terrain, traditional believe system, the cultural practice and norms, availability of the human resources, high cost of the petroleum product, high cost of the latest modern machinery.

To promote modern tools and technology for agriculture, Government of India had been giving subsidy under different schemes for various agricultural machinery and tools, loan-cum-subsidy scheme are also being launched by Govt. of India from time to time.

However there are many instances of corruption being exposed by various agencies, Rs. 40,000 Cr. scam in the procurement and milling of paddy for the public distribution system is being reported in the Business World online media. **Guru, S. (2015, December 9)**

India is being ranked in the global Corruption Perceptions Index, released by Transparency International, slipped two places to the 81st rank in 2017 as published in the Hindu Business Line on **(22, Feb 2018)**, thereby it is quite evident that there are elements of corruption at different level which exist in the system, and the farmer need to face the difficulties created by such evil system, which itself throws an artificial challenge, apart from this they also have to face the challenges from the natural calamities in their daily professional life.

Different parts of North East are sensitive areas; recently Assam police had identified different sensitive areas which were published in the **(NorthEastToday)**, on **29 Dec 2017**. Some of the parts of North East area had been under AFSPA (Assam and Manipur) (Armed Forces Special Powers Act, 1958) published in the **(Firstpost)** dated **30 Aug 2018**, AFSPA is being extended to whole of the state of Assam for another six

month. However the soil and the climatic condition of the North East area and its adjoining part are very much suitable for agriculture, there is a huge potential to explore and various method of cultivation is not yet explored to its fullest.

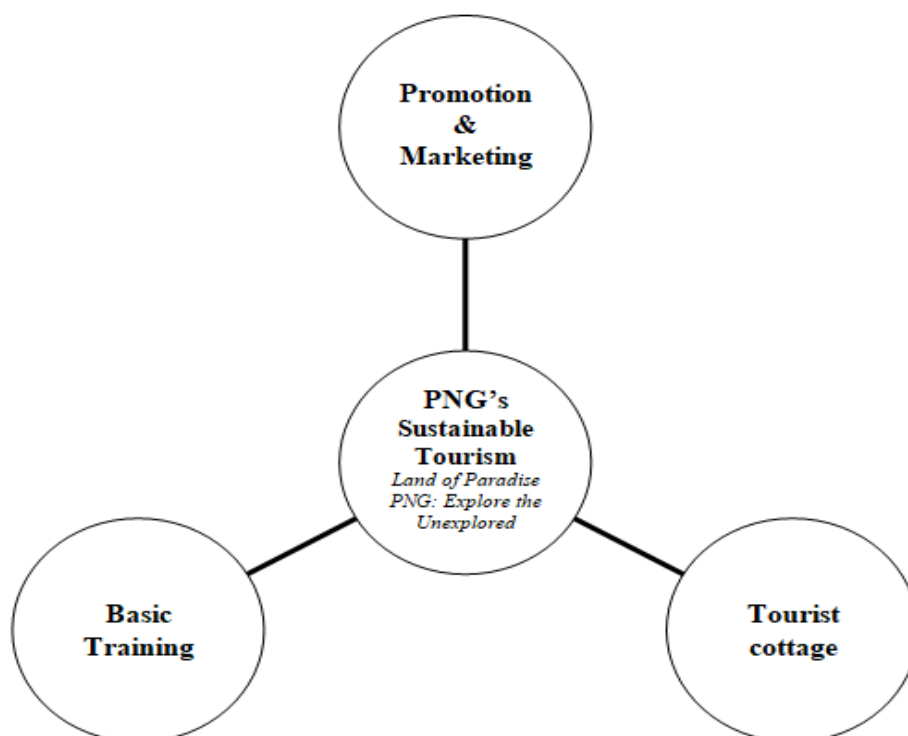
The organic method of cultivation in the North East is very unique by its nature; the method may vary from one tribe to another. The organic method of cultivations also varies from one territory to another.

Table: Integrated System of Agriculture and Farming

| SI No | Items | Maturity Period | Yielding 43,560 square feet = 1 acre |
|-------|---|-------------------|---|
| 1 | Tea | 3 yrs. | 5341 Plant par acre (Spacing 1.35 x 0.75 x 0.75 m) 362 to 1632 kg per acre |
| 2 | Green Tea | 3 yrs. | 800 to 3,600 pounds per acre |
| 3 | Purple Tea | 3 yrs. | 800 to 3,600 pounds per acre |
| 4 | Rubber | 6 yrs. | 3,500 to 4,500 kilograms per acre (150-200 Plant) |
| 5 | Agar | 15 yrs. | 400 Plant per acre Agar oil Grade A 200ml oil per 100 Kg Agar wood Agar oil Grade B 100 ml oil per 100 kg Agar wood |
| 6 | Black Peeper | 2 – 3 yrs. | 1000 per acre (Spacing 2mt by 2mt) 3 kg/vine 1000 plant * 3kg = 3000 Kg |
| 7 | Green Peeper | 2 to 3yr | 1000 Plant per acre (Spacing 2mt by 2mt) |
| 8 | Betel Leaf (open Space Cultivation) | 3 months | 2723 Plant /acre (Spacing 4ft*4ft) 60-70 leaves/plant 190610 leaves /acre/month 1906.1 kg/acre/month |
| 9 | Beetle Nut | 8 yrs | 2723 plant /acre 140-150Kg /tree |
| 10 | Sandal Wood | 10-15 yrs | 400-440 Plant /acre |
| 11 | Banana | 12-15 months | 1000 Plant /acre 20Kg/plant x1000 plant=20,000 kg |
| 12 | Papaya | 10 months | 900Plant /acre Per plant 36kgx 900Plant= 32400 |
| 13 | Poultry | 45 days - 65 days | 65 days old chicken 1.8-2.5 kg |
| 14 | Fishery (Rahu) | 2 yrs. | 430Kg / acre Fishery (Rahu) |
| 15 | Diary | 8 to 16 months | 80 cow/ acre 3-21 Liters /cow |
| 16 | Tourist Cottage | N.A | 20 room |

Singha, S., & Singha, R. (2018, March 16). In their research article they proposed BTM model (Basic Training, Tourist cottage, Promotion & Marketing) for sustainable tourism which will enhance the livelihood of the local citizen, the living standard will enhance and economy will develop with the generation of income. The same model can be implemented in the North East Geography.

SUSTAINABLE MODEL TO DEVELOP THE TOURISM INDUSTRY (BTPM MODEL)



Source: Singha, S., & Singha, R. (2018, March 16). The Future Gold of Papua New Guinea: Sustainable Tourism in PNG. Kaav International Journal of Economics, Commerce and Business Management, 5(1), 423-433.

THE OBJECTIVE OF THE STUDY

1. To understand the working model of Sustainable Development within the territory of North East India
2. To Suggest the possible sustainable development model for North East India to reach MDG (Millennium Development Goal) through SDG (Sustainable Development Goal)
3. To generate a possible sustainable development business to generate revenue for the unemployed youth
4. To understand the possibility of Green Business in North East India
5. To Explore the Sustainable method of Koch Rajbongshi Tribe in the North East regions and its adjoining area with reference to the environment, agricultural productivity, sustainable life, and sustainable process.

Methodology: Systematic Literature Review, Field Visit, Primary observation.

LIMITATION OF THE RESEARCH

Limited case studies are being considered from the different research publication within the geographical of Northeast Area in particular.

REVIEW OF LITERATURE

(2017, October 4). *The Hindu*. NITI Aayog had suggested how water resources can be utilized in the North East Region. As stated by Ministry for Development of North East Region (DoNER) the committee will submit its final report by July 2018 within the context of Hydroelectric power, agriculture, biodiversity conservation, reduce flood damage erosion, inland water transportation, forester, fishery and eco-tourism, the statement of the minister is still debatable and how man-made Hydroelectric power dam can actually facilitate agriculture, biodiversity, reduce flood and increase forest.

The other report states that, 2017 NE flood was a manmade disaster, Published in National Herald date 21st July 2017.

(2017, July 2017) *National Herald* Since May 2017 till June, the lands were under water for 60 days which occurred because of a sudden release of water from Ranganadi Hydro-Electrical Power plant in Arunachal Pradesh by North East Electrical Power Corporation (NEEPCO). North-East Dialogue Forum (NEDF) has

raised the issue that sudden rise of water in the area because of the release of water by Ranganadi Hydro-Electrical Power plant has violated the human right Article 21 of the constitution of India, they further mentioned that Government is responsible for it. The report further stated that the National Disaster Management Authority doesn't have any timely flood management system. If we look at some of the digesters which are happening in the North East are mainly man-made disaster. If man-made dam is causing harm to human life, Animal life, Social life and overall total economic growth of the region, why such dam needs to be operated at the cost of the life's of the native people. The question arises who is spoiling the business ecosystem of North East India.

Jaiswal, U. (2017, March 20). Telegraph India Arunachal had a power shortage of 40 million units; Assam had a power shortage of 299 Million units against the requirement of 8387 million units and a peak hour shortage of 40 megawatts (MW) against the demand of 1673 MW. Meghalaya needs 1565 MU and in peak hour demand of 331 MW between March 1, 2016, and February 28, 2017. Mizoram, Manipur, and Tripura had managed the peak hour demand of 98MW, 163MW, and 284MW.

(2016, August 17). Economic Times More than 1193 villages in the Assam are yet to be electrified as Stated by the CM of Assam Sarbananda Sonowal in an event Deen Dayal Upadhyaya Gram Jyoti Yojana and asked to implement agency to complete the execution on a priority basis. So far there is a total of 25,372 villages are there in Assam as of 2011 Census report and 24179 (95.2%) villages had been electrified so far. The CM of Assam said that Assam State Electricity Board should come up with innovative ways to make Assam a Power Surplus State.

Kukreja, A. (2016, August). iDR (Indian Defence Review) After 1962, Sino Indian Conflict, the development in the North East India which comprise of seven Sister and One Brother (Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Assam, Nagaland, Tripura and Sikkim) had been held back due to various reasons which includes the traditional system of self-governance and social customs of livelihood in the North East Areas of India, NE had remained virtually untouched during the British rule. Creation of Railways was solely for the business interest of the Tea growing areas, which is the major economic activity. Apart from Tea, other economic activities are extraction of crude oil and some coal in the Assam, Meghalaya and Nagaland belt. He stated that road infrastructure is relatively deficient in the area. He further stated that the construction of the road is difficult in the hilly terrain and it's an expensive process. The road network had been developed under the programme called, Special Accelerated Road Development Program (SADRP) in 2006, in the year 2016 the projection was to complete 6,500 km network, however only 1000 KM project has been completed.

Another project played a significant role for the North East road development, Kaladan Multi-Mode Transportation Project (KMMTP). This project involves improving the port of Sittwe in Arakan province in western Myanmar, building an inland waterway on the Kaladan River and preparing a road transport system to connect the capital of Mizoram (Aizwal). This project will reduce the distance from Calcutta by about 1,300 km and reduce the transport of goods through the narrow Siliguri corridor. Work on the project had started in April 2008 and was completed in 2016-2017. Thereby we can say that the road development project is going on, and will definitely increase the connectivity and will meet the demand for the raw material supply for the society and the industry.

O'Neill, P. (2011, July 11). Stated that the major constrain in developing the rural road is because, the areas are difficult to access, logistic is complicated and local contracting capacity is limited, Engineers are less and far and the young engineers are not keen to leave the urban environment. The rural environment is the growth engine of the country, there is a need for infrastructure development to improve the connectivity to the market so that the farmer can supply their product to meet the demand of the market.

(Worldbank.org) (2012, May 17). In India, Agriculture is declining by 15% because of rapid industrialization in India. This data has a correlation with North East India, there is a need for Policy reformation as the economy of Assam depends upon the agriculture. Various economic and socio-political factors are responsible for the lack of economic growth in Assam. There is a potential for the growth in the agricultural sector in the region. As agriculture is declining by 15%, thereby there is a huge market potential in the agriculture industry.

Nath, D., & Bezbaruah, M. P. (2011). Stated that growth of rubber cultivation during 1986-87 and 2006-07 in the Goalpara Dist. is found to be 17.5%, the total area under rubber cultivation in the Goalpara dist. is 3550 Ha. The total production of rubber in the yr. 2006-2007 is 1814 MT. The yield rate of 1500 kg/ha of rubber recorded for the yr. 2004-2005. Rubber production has shown an emerging economic growth in the Goalpara Dist. Thereby we can say that there is a huge potential of rubber cultivation in the North East area.

Goswami, K., Saikia, J., & Choudhury, H. K. (2011, June). Jatropha plantation in North East India had started since 2007. The cost for plantation include seedlings, farmyard manure (FYM), labor on various activities, farm building etc. Specific to northeast the primary cost is seedling and labor. The recommended number of seedling per hectare ranges from 1500 to 2500. The cost of the seedling was found to be INR 3. The first pruning needs 6 month time when cutting is done for an about 30 to 40 cm from its base. After one yr. second pruning is needed, the same process is repeated by maintaining a gap of two yr. between two successive prunings, the time gap for pruning may vary from state to state depending upon the growth of the plant. In order to maintain the height of 2mt. the operational requirements need to be maintained. After three yr. of the plantation, the grower needs to do constant expenditure for pruning, the high rainfall of the region facilitate the high growth of the vegetation of the plant Another Associate cost involved in Jatropha plantation is harvesting, seeds separation, transportation, and marketing. **Kureel et al. (2007)** stated 2 man-days (16 or more hours) can harvest 100 kg of Jatropha seeds (i.e. 6kg per hr) and another research Nielsen (2009) suggest that one person can harvest 1-3 kg of jatropha seeds per hr. , including decortications and without decortications 5kg/ hr. The income assumed per ha after six yr. is 37500 under high yielding Scenario and under low yielding Scenario it's 12500. For the second yr. under low yielding Scenario it's 1250, the third yr. under low yielding Scenario it's 2500 and under high yielding Scenario it's 12500. For forth yr. under low yielding Scenario it's 5000 and under high yielding Scenario, it's 18750. For 5th yr. under low yielding Scenario it's 8000 and under high yielding Scenario it's 25000. There is a high possibility of Jatropha plantation in the North East area.

Table: Potential annual income from jatropha during initial six years in North East India

| (Rs/ha) | | |
|-------------------|---|---|
| Age of Plantation | Income assuming low yield (Scenario I) | Income assuming high yield (Scenario II) |
| Second year | 1250 | - |
| Third year | 2500 | 12500 |
| Fourth year | 5000 | 18750 |
| Fifth year | 8000 | 25000 |
| Sixth year | 12500 | 37500 |

Source: Goswami, K., Saikia, J., & Choudhury, H. K. (2011, June). Economic Benefits and Costs of Jatropha Plantation in North-East India. *Agricultural Economics Research Review*, 24, 99-108

Patra, G., & Kumar, B. (2013, August 1). In this research, it was found that there is an impact of individual components of awareness (Price, Packaging, and Quality), in the urban area it was found that, the impact of packaging is more and brand is less contributing in it. Thereby we can derive that packaging plays an important component in the business and thus how we can also conclude that there may be a possibility of high demand and requirement of the packaging industry in the North East area.

Deb, J., & Kar, S. (2016, December). In the North East Region Micro Finance institutions, have potentials as the region as a whole is suffering from unemployment and poverty. Microfinance institute can be helpful in the North East Region to elevate poverty and generate employment. There is a high potential for the growth of Microfinance Institute in the northeast area.

Patra, B. P. (2008, September) Tata Tea Management is being accused of helping ULFA, However TATA Tea official had denied in any involvement with reference to such aid. Through this research, we can conclude that CSR activity must be carried out diligently in the North East area, to avoid any such legal complication.

Khanka, S. S. (2009, December). Education, business background and entrepreneurship development program need to be reevaluated to influence entrepreneurial behavior and performance in the entrepreneur performance in Assam, in this studies various variables are being considered, such as Gender, local business person, Outsider business person, Education background of the Entrepreneur, marital status, Locus of control (external/internal), Family Background (Business Background, Non Business Background), individual who attended entrepreneurship development programmed, Location of the business or Industry (at home place /outside home place). It was found that the Entrepreneur who establishes their business in their home place is more successful than that of those who establish their business outside their home place. It is also seen in this research that the local Entrepreneur does better than outside Entrepreneur, while comparing business performance within man and women, it is seen that men do better than female in the business ,It is also seen that people with general and technical education do much more better in business than that of other, (here Technical education refer to ITI Diploma, General education refer to general degree holder till bachelor level and other refer to High School

level education or lower). In this research it is also seen that Married person do more better in business than those who are unmarried, with reference to Entrepreneurial Performance in Relation to Locus of Control it is seen that people who have external Locus of Control do more better than that of those who have internal Locus of Control, in business Entrepreneur with family business background do better in business than that of Entrepreneur with non business family background.

An entrepreneur who had attended EDP, do more better in business than who did not attended EDP. From this research, we can conclude that to run a profit-making business, it is essential that the businessman should need to have technical education, EDP to do a successful business in the North East area.

Singh, N. D, et al. (2015, December). The state of Manipur is actively involved in pisciculture; however the economic benefit is low because of lack of scientific fish farming method and weak management method which leads to low profit. With the establishment of the National Fisheries Development Board at Guwahati, there is a high possibility that fish farming may increase the margin of profit. From the review, we can conclude that, to run a profit-making fishery, it is necessary to follow a scientific method of rearing fish, further there is a need for strong management system in place. There is a high potential of fishery industry in the North East area.

Goyal, C. K. (2008). The GOI and RBI still need to go a long way to do financial inclusion for the poor and disadvantaged people in India, with reference to the North East Region, the Bank Branch extension is a major issue because of the peculiar topography, sparse and scattered population, difficult terrain with transport bottlenecks, and poor law and order condition in some areas—in short, it's an unfriendly atmosphere, thereby the bank extension needs Community based support of the community-based organization. However GOI is doing their best for high penetration in the rural area, but in the case for North East Region it is facing a very special challenge. The government of India had launched GCC; General purpose Credit Card, and Kisan Credit Card. RBI had been emphasizing to use the service of Non Governmental organization (NGO), Self Help Group (SHG), Micro Finance institute, Post Office. Bank linked program had taken special incentive to promote financial inclusion by launching NABARD (National Bank for Agriculture and Rural Development) to tie up with NGO and SHG, However for NRE (North East Region), still the situation remains a bit different because of it Geo Political region and situation. For certain region government schemes for financial inclusion are available, hopefully with the incentives of the Government and RBI it is most likely in the nearby future all the interior part of the Northeast will be cover under the GOI's different scheme.

Barik, N. K., et al. (2007, June) significant changes were noticed in the Dhir Beel since 1985, the management regimes and institutional arrangements governing Dhir beel have undergone the decline in production after 1985 for various issues, the weak regulation, lack of involvement of the community member in the management. In the due course the economic sustainability of the management had reduced, the cost of the management has increased, particularly in transaction cost on monitoring and maintaining of information system. There was a need of policy intervention to minimize the loss of the management; such mismanagement is because of lack of inefficient institution, lack of enforcement mechanism for the compliance of the legal and institutional restriction. For the management of the Dhir beel there is a need for community-based management, there is a need to establish a mechanism to reduce conflict through negotiations, and participation of fishers in the management. The manager of the fishery or Beel should be given substantial benefit from the output of the beel, there is a high potential of fishery industry in the North East area provided it is managed scientifically.

Dutta, M. K. (2007) in his study about management of ground water resources highlighted that the structure of water market is found to be informal. Transaction of water based upon area approach, Shallow Tube Well (STW) is majorly used for irrigation of the fields. The water scarcity problem is not there in reality, the farmers are required to do a necessary arrangement for the groundwater via STW or purchase of the water from its neighbor. The farmers need to make the arrangement of the fracture for the water supply, even from nature there are plenty of water within the Assam territory.

Jayakumar, T. (2013, December) highlighted the challenges of MNCs which they need to face in a conflict zone, CSR activity is possible but it has to be executed by designing the need expectations analyses in the conflict zone, whereby the community can actually get the benefit through the CSR activity. In the conflict zone, through CSR, MNC can make profit through sustainable economic growth which can develop the economy as a whole. CSR can be a key component for doing business in the conflict zone, especially in the North East region.

Pisharoty, S. B. (2017, December 30). From the study it was found that there had been a public protest, events engineered to upset the normal life, in the territory of Assam there had been disruptions, in the month of Feb, 2017; when the cabinet took the decision to make Sanskrit compulsory in the State-run Schools, and it caused a

lot of turbulence in the atmosphere of the Assam. The Sonowal's government decision on July 31's to name 22 model schools in the name of the "Deendayal Upadhyaya" caused a lot of political instability in the region followed by a number of protests. There are instances of disruption in the political scenario, in the areas of Sikkim, Nagaland, Tripura, Manipur, Meghalaya, Arunachal Pradesh, Mizoram which had had created disturbance in the total political scenario.

H, Shivananda. (2011, May 12). North East has hugged untapped natural resources. It is a conflict-stricken remote area in India, the major causes of the insurgency is because of the political, and the ambiguity related to the economic potential has added fuel to the turmoil. The sense of mineral resources being exploited also provokes the conflict in the region. Most of the armed force accused the central Government of exploiting the mineral resources of the North East. The region has the potential to attract an investor or produce a skilled labor force, and entrepreneurial resources. The region has failed to transform the primitive agriculture practice in the region with the modern scientific methods in cultivation. So far the region has not received much attention of the central government in building the required infrastructure for progress; all this has alienated the North East region from the rest of India. Thus we can see from this research that by modernizing the traditional cultivation there is a huge potential for growth and development of the economy of the region.

Konwar, P. (2015, July 1). Stated that the socio-economic scenario of the North East region is blessed with abandon natural and mineral resources however the economic situation of the people living in the region is poor. The Multi-dimension poverty index (MPI) value is the highest in the Assam, for Meghalaya, MPI is also high. BPL population is highest in Manipur (46.7%), followed by Assam (40.9%) and Arunachal Pradesh (37.4%). It was found in the research that in almost all the region the poverty is above 36%

Swaminathan, M. S. (2019, January 19). Science has a big role to play in shaping the ecosystem of the North East region, there is no doubt about it, the North East region is a mega-diverse region, 82% of its rural population depends upon agriculture. The forest has 8000 to 15000 different varieties of flowering plants, in an about 1300 species of orchids plants is available in this region. India's 225 different tribes live in North East India out of 450 tribes. In spite of rich cultural diversity and rich mineral resources still, the territory is in poverty. The coexistence of poverty with the rich natural resources continues until and unless politically some solution is being sorted out to resolve such inequality.

CABINET APPROVES NORTH-EAST INDUSTRIAL DEVELOPMENT SCHEME (NEIDS) 2017

Press Information Bureau, Government of India, Ministry of Commerce & Industry (21 March, 2018)

The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has approved the North East Industrial Development Scheme (NEIDS), 2017 with financial outlay of Rs.3000 crores up to March 2020. The government will provide necessary allocations for the remaining period of the scheme after assessment before March 2020. NEIDS is a combination of the incentives covered under the earlier two schemes with a much larger outlay.

In order to promote employment in the North East States, Government is incentivizing primarily the MSME Sector through this scheme. Government is also providing specific incentive through the scheme to generate employment. All eligible industrial units, which are getting benefits of one or more components of other schemes of the Government of India, will also be considered for the benefits of other components of this scheme.

Under the Scheme, the following incentives shall be provided to new industrial units set up in the North Eastern States including Sikkim:

| | |
|---|--|
| Central Capital Investment Incentive for Access to Credit | 30% of the investment in Plant & Machinery with an upper limit of Rs.5 Crore on the incentive amount per unit. |
| Central Interest Incentive (CII) | 3% on working capital credit advanced by eligible Banks/ Financial institutions for first 5 years from the date of commencement of commercial production by the unit. |
| Central Comprehensive Insurance Incentive (CCII) | Reimbursement of 100% insurance premium on insurance of building and Plant & Machinery for 5 years from the date of commencement of commercial production by the unit. |
| Goods and Service Tax (GST) | Reimbursement up to the extent of Central Govt. share of CGST and |

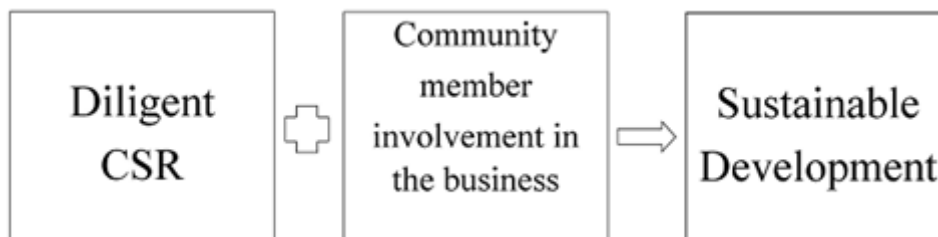
| | |
|-------------------------------|---|
| Reimbursement | IGST for 5 Years from the date of commencement of commercial production by the unit. |
| Income-Tax (IT) Reimbursement | Reimbursement of Centre's share of income tax for the first 5 years including the year of commencement of commercial production by the unit. |
| Transport Incentive (TI) | 20% of the cost of transportation including the subsidy currently provided by Railways/ Railway PSU for movement of finished goods by rail. 20% of the cost of transportation for finished goods, for movement through Inland Waterways Authority of India. 33% of the cost of transportation of air freight on perishable goods (as defined by IATA) from the airport nearest to place of production to any airport within the country. |
| Employment Incentive (EI) | The Government shall pay 3.67% of the employer's contribution to the Employees Provident Fund (EPF) in addition to Government bearing 8.33% Employee Pension Scheme (EPS) contribution of the employer in the Pradhan Mantri Rojgar Protsahan Yojana (PMRPY). |

The overall cap for benefits under all components of incentives will be of Rs. 200 crores per unit. The newly introduced scheme shall promote industrialization in the States of the North Eastern Region and will boost employment and income generation.

ANALYSIS OF THE NORTH EAST REGION ON THE BASIS OF THE ABOVE LITERATURE

Objective-1

1. To understand the working model of Sustainable Development within the territory of North East India



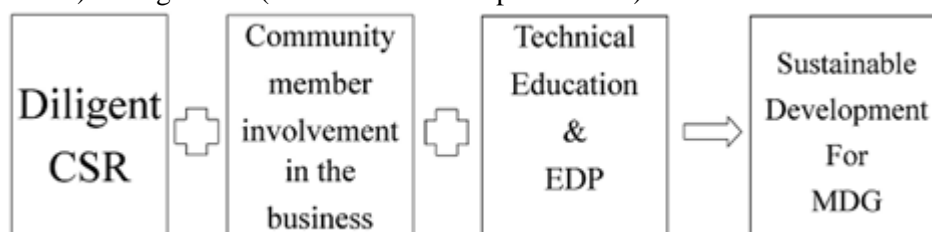
Diligent CSR + Community member Involvement in the business

Patra, B. P. (2008, September) Tata Tea Management is being accused of helping ULFA, However TATA Tea official had denied in any involvement with reference to such aid, TATA tea was executing a CSR activity for a medical aid program, whereby the benefit went to one of the ULFA members which TATA tea officials were not aware of, thereby such allegation is imposed over TATA tea management for aiding ULFA member. Through this research, we can conclude that CSR activity need to be carried out diligently in the North East area, to avoid any such legal complication.

Barik, N. K., et al. (2007, June) highlighted the changes which were observed in the Dhir Beel after 1985, the management regimes and institutional arrangements governing Dhir beel have undergone the decline in production after 1985 is due to the weak regulation, of involvement of the community in the management of fishery. Community involvement in the project is an essential criterion to attain the sustainable development.

Objective-2

- 2 To Suggest the possible sustainable development model for North East India to reach MDG (Millennium Development Goal) through SDG (Sustainable Development Goal)



Diligent CSR + Community member Involvement in the business+ Technical Education and EDP

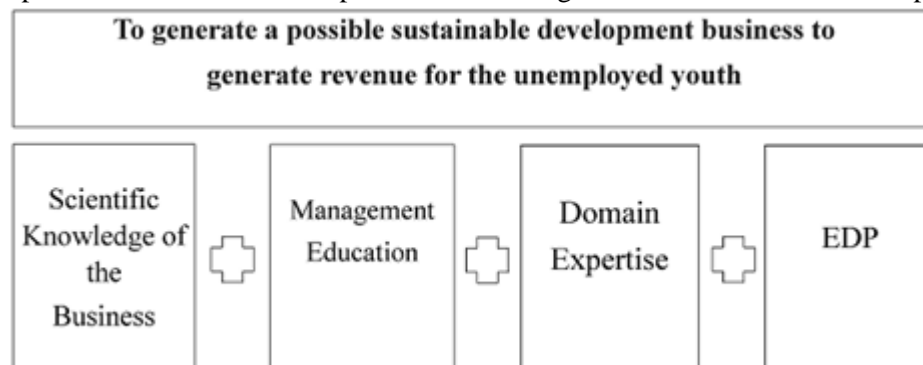
Barik, N. K., et al. (2007, June) there had been changing in the Dhir Beel after 1985, the management regimes and institutional arrangements governing Dhir beel have undergone the decline in production after 1985 is due to quality fish stock, the weak regulation, of involvement of the community in the management of fishery.

Khanka, S. S. (2009, December). In this research, it is stated that people with general and technical education do much better in business than that of other, (here Technical education refer to ITI Diploma, General education refer to general degree holder till bachelor level and other refer to High School level education or lower)

An entrepreneur who had attended EDP, do more better in business than who did not attend EDP. From this research, we can conclude that to run a profit-making business, it is essential that the businessman should possess technical education, EDP to do business in the North East area.

Objective-3

3 To generate a possible sustainable development business to generate revenue for the unemployed youth

**Scientific Knowledge of the Business + management education + Domain experience + EDP's**

There are multiple business opportunities in the North East area, but before pursuing a business it would be highly recommended that the Youth should have high degree of scientific knowledge of the domain business which they want to establish, They should be aware of technical Know How of the business acumens, Domain experience, they should attain EDP's, Work Shops regularly **Khanka, S. S. (2009, December)**. In this research, it is stated that people with general and technical education do much better in business than that of other, (here Technical education refer to ITI Diploma, General education refer to general degree holder till bachelor level and other refer to High School level education or lower). An entrepreneur who had attended EDP, do more better in business than who did not attend EDP. From this research, we can conclude that to run a profit-making business, it is essential that the businessman should have technical education, EDP to do business in the North East area.

Singh, N. D, et al. (2015, December). The state of Manipur is actively involved in fish raring; however the economic benefit is very law because of lack of scientific fish farming method and weak management method also there is a lack of profit. With the establishment of the National Fisheries Development Board at Guwahati, there is a high possibility that fish farming may increase the margin of profit. From this research, we can conclude that to run a profit-making fishery, it is necessary to follow a scientific method of rearing fish as well as their need to be a strong management system in place. There is a high potential of fishery industry in the North East area.

Objective-4

4 To understand the possibility of Green Business In North East India

There is a possibility of the Green Business in the North East region as Word Bank rightly stated that agriculture is declining by 15% in India, worldbank.org (2012, May 17)., so there is a high possibility of agriculture-related business in the North East region as the land and water is available in the region . With the launch of the Transport Incentive, 33% of the cost of transportation of air freight on perishable goods (as defined by IATA) from the airport to the nearest place of production to any airport within the country is possible. Because of Central Capital Investment Incentive for Access to Credit (CCIIAC), 30% of the investment in Plant & Machinery with an upper limit of Rs.5 Crore on the incentive amount per unit. However overall cap for benefits under all components of incentives will be of Rs. 200 crores per unit. So for bigger business, certainly the new scheme is very much viable. **Nath, D., & Bezbaruah, M. P. (2011)** Stated that rubber cultivation is substantially growing in the Goalpara Dist, there is a possibility of Rubber cultivation in

this area. **Patra, B. P. (2008, September)** TATA tea had been operating its garden in the North East area, which also proves that there is a possibility of the tea garden in the North East area of Assam though TATA tea management had been accused of helping ULFA however they denied the allegation. **Goswami, K., Saikia, J., & Choudhury, H. K. (2011, June).** Jatropha plantation in North East India had been in production for Biodiesel since 2007, there is a huge scope of Jatropha plantation in the North East Region.

Objective-5

5 To Explore the Sustainable method of Koch Rajbongshi Tribe in the North East regions and its adjoining area with reference to the environment, agricultural productivity, sustainable life, and sustainable process.

In the light of the knowledge derived from the intensive study that has been carried out in Assam, West Bengal and its adjoining area it was found during the visit to various territory of Koch Rajbongshi tribes inhabited area that every household of the tribe use to maintain their own traditional organic garden, while interacting with them, they mentioned that they maintain their own garden for their kitchen, however it's also been understood that they are less involved in commercial cultivation.

Koch Rajbongshi communities' kitchen floor is ideally made of mud. Their house is very well organized, clean and hygienic, it is also been observed that they build their house out of bamboo, wood, and mud, the walls of the house are well decorated with mud, paintings, and wooden structure. Kitchens are built away from their living room. Koch Rajbongshis' are self-sufficient because of their sustainable way of living.

It is being observed that most of the Koch Rajbongshi Tribe rear cow, buffalo, goat, chicken duck and pigeon along with small pond in the backyard of the house. They craft their household requirements from bamboo and wood, such as Basket (*Pachi*), Bamboo Net (*Kula, Chalni*), Broom (*Zharu*), Bamboo Fence (*Chekar*). Both men and women keep themselves busy with household works and cultivation. Surplus bamboo-crafted items are sold to the nearby weekly market (*Hati*). Koch Rajbongshi men and women are skilled in agricultural activities, fishing, hunting, weaving, and handicraft related works.

Every house plants marigold flower and in the garden, which they believe it acts as a mosquito and insects repellent. Neem, Tulshi, Jackfruit, Lychee, Banana, Bamboo, Betel Nut, Betel Leaf, Black Pepper are commonly grown in every household.

Koch Rajbongshi Tribe weaves colorful clothes out of cotton and silk in their house, women use to make traditional clothes like *Patani* which are worn by women, *Angsha* used by both men and women, *Chadars* and various other variety of clothes which are used for day to day wearing. The model which they follow is sustainable in the long run.

They have maintained their distinct culture, language, tradition, agricultural activity, unique way of building their house and maintenance of the garden. They live in peace and maintain harmony with nature.

There is a unique bond and kinship among the member of the Koch Rajbongshi, their main source of livelihood is agriculture, hunting, fishing, and bamboo handicraft. The skills of the Koch Rajbongshi Tribes style of agriculture, hunting, fishing, crafting, weaving is being passed from one generation to another, and they don't have any written literature or manual for it.

They weave their own cloth which has its own unique method and style. The training for the Koch Rajbongshi style of weaving is being passed from one generation to another via oral and practical method; they don't have any written literature or manual for the training.

They live in forest, hills, plains and build their own house deep inside the forest, sometimes they also build house above the tree, they have their own unique style and method of building their house, ideally Koch Rajbongshi keep a very special space in the middle of the houses where they seat during evening for community get together, it is observed that the community interaction is very strong among Koch Rajbongshi, every house will keep a special space in their house for that. They leave a big portion of land in front and back side of the house; all the houses of Koch Rajbongshi are being built in a big area.

Koch Rajbongshi Tribe cultivates in a group and divides accordingly once it yields; their area had perfectly suited the geographic area where they lived or living.

They have a unique method for treatment and healing, they use oil from various animal and plants for healing. They have special treatment method for mental health, it's been years they are following their traditional method and they believe it works for them. We had personally observed where 100's of people come to such healer for healing.

Around the late 18th and 19th century many Koch Rajbongshi tribe had become settled agriculturist and some even became *Zamindars*. They are strong and hardworking people.

Koch Rajbongshi Tribe have a very rich oral tradition with reference to their traditional agriculture, music, dance, song, medical practice, building of house, culture and language; they ideally transfer their knowledge and know-how from one generation to another orally and through practical training, there is no written manual or literature available, thereby the traditional method and know-how remains within their tribe.

MAJOR FINDINGS

There is a political instability in the Northeast region along with insurgency issue. However, the region has huge potential, as it blessed with Natural resources, Flora and Fauna. It was found that Koch Rajbongshi tribe follows a unique method of sustainable living which is yet to be documented.

SUGGESTION

- Insurgency issues should be resolved by understanding the needs of the different communities and resolving the political and social issues that are being prevailing in the system for a long time.
- Unemployment problem need to be resolved by generation sustainable business through various government incentive schemes for Small business.
- Skill development program and management related education should be imparted from the school level education which will help to remove unemployment in the region.
- The unique methods of sustainable living of Koch Rajbongshi Tribe have a very rich oral tradition with reference to their traditional agriculture, music, dance, song, medical practice, building of house, culture and language; they ideally transfer their knowledge and know-how from one generation to another orally and through practical training, there is no written manual or literature available, thereby it is recommended that it need to be documented so that it can be adopted and used globally for sustainable living.

PROPOSED IDEA AND RECOMMENDATION FOR SUSTAINABLE DEVELOPMENT BUSINESS GOALS IN NORTH EAST INDIA

1. By starting online news portal, to disseminate information, as News Paper pollutes the environment directly and indirectly. For the production of paper huge amount of trees are being used, so by establishing an online news portal, we may able to stop the need for printing Newspaper.
2. Hunger alleviation by adopting one village and planting fruit yielding plants across village public road (e.g. papaya, guava, jackfruit, and other fruit bearing plants), it will give fresh oxygen, second it will provide green leaf for animals and third it will yield fruits throughout the year. Selective fruit bearing plants can be planted so that it fits the environment and provides fruits throughout the year which are consumed locally.
3. Poverty alleviation by means of local agriculture and business.
4. Black Peeper, Betel Leaf plantation and Tourism cottage can be integrated with Tea, Agar, and Rubber plantation.
5. Scientific organized organic cultivation where the manure will be used from the dairy & poultry farm. An integrated model of dairy, poultry, fishery, and plantation in crop cultivation can be adopted for business sustainability
6. Sandalwood plantation, Production of plant sapling in North East Area along with Tea Plantation

CONCLUSION

There is a huge potential of business growth in the North East Area, though there are political instability and insurgent operation is very much significant, in spite of that there are industries like Tea Garden, Rubber Garden are operationally functional and supply of the tea, rubber throughout the country as well as internationally. There is an unemployment problem in the area, However, if Entrepreneurship skills and acumens can be imparted to the youth then there can be a possibility for more successful Entrepreneur. More workshops for skill development would be necessary for the youth so that they can start their new venture with scientific knowledge. Fishery industry has a huge potential, however, there is a requirement of scientific knowledge for rearing fish. There is a huge potential of agriculture but scientific knowledge of modern technology is necessary among the farmers. There is also a need for more government schemes and incentives for poor people of the region. A financial institution need to be go with the financial inclusion policy for the poor people of the region. However, there are very good schemes available for a big industrialist to attract investment in the region. The Koch Rajbongshi Tribe of North East follows sustainable mode of living which is one of the unique traits and need to be documented.

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A STUDY ON THE IMPACT OF COMPANY'S ETHICAL POLICIES ON CONSUMER BUYING BEHAVIOUR (FMCG)

Amritha AshokAssistant Professor, Kristu Jayanti College, Bangalore

ABSTRACT

This study was undertaken to understand if the consumers buying behaviour is affected by the ethical policies adopted by the companies among various other factors that influence the consumer. The target respondents were salaried and non-salaried people from the northern part of Bengaluru, it included 300 respondents spanning over an age group of 25 years-45 years, with the help of convenience sampling technique, and a one-to-one interview method data was collected.

The study has thrown light on the fact that consumers now are more conscious about their contribution to the welfare of the society; they feel that associating with companies that have sound ethical policies they will contribute to the social welfare of the economy.

The research has brought out the fact that the ethical policies followed by the companies do influence the buying behaviour of the consumers with relevance to the FMCG sector.

Few of the respondents are of opinion that they are not aware of the ethical policies, hence if the companies invest more in promoting their ethical image, it will positively affect the consumer behaviour and lead to increased consumer loyalty towards ethical products.

Keywords: company's ethical policies, ethical consumerism, conscious consuming, buying decision, ethical product.

INTRODUCTION: BUSINESS ETHICS, ETHICAL CONSUMERISM

Business ethics has been gaining immense importance in the recent times in our country. Consumers are being made aware of the concepts related to business ethics and corporate social responsibility.

The fact that an organization cannot sustain in the long run if it does not follow ethical practices are also being proved time and again. Whether an organization follows ethical or unethical practices, the stakeholders, in specific the end users of the product are affected at large. In today's competitive business environment ethics is that dynamic factor that gives an organization a competitive edge, if it adheres to ethical practices, off late it is believed that consumers prefer products of those organizations that have concrete ethical policies.

Consumers today are more conscious about their share of contribution to the welfare of the society; they feel that by indulging in ethical purchasing they can contribute to the welfare of the society to a certain extent.

This research aims at finding out the impact of an organization's ethical practices on consumer buying behaviour.

A consumer is influenced by many factors in the process of his buying decision. The important factors are brand name, quality, quantity etc. In today's scenario along with these factors a company's ethical policies are also creeping to become one of the major factors. In this study a company's ethical policies has been included as one of the factors that influence a consumer's buying decision, this is because in the current competitive scenario it is that factor of good business ethics that rewards or punishes a company in the long run, therefore to survive in the long run a company has to concentrate on its ethical behaviour.

Revolving around this, a concept called ethical consumerism has emerged. Ethical consumerism is an activity that is practiced through positive buying, that is it supports the demand for ethical products or negative buying where the unethical products are morally boycotted.

Conscious Consuming another concept is a social movement that contributes to the increased awareness of purchasing decisions of a consumer and the impact that it has on the society and environment.

In this research the study is confined to the Fast-moving consumer goods (FMCG) sector because, consumers use those goods on a day to day basis. FMCG forms a major part of the consumption of the consumers, thus they spend a major portion of their income on purchasing FMCG.

The core aspect of this study is the ethical policies of a company, it drives the company to be ethically responsible towards the society that is, its stake holders. It ensures the welfare of the society and the welfare of

the company in the long run or it can also be stated as a set of policies of a company that are based on moral values and principles which ensure the sustainability and success of a company and its stake holders.

Why does a company have to be ethical?

Being ethical not only benefits the company in the long run, it also benefits the economy as a whole, in order to make this happen it is both the duty of the company and the consumers to adopt ethical standards in the process of production and consumption. This can happen only if the consumers increase their loyalty towards ethical products and considering the behavioural pattern of today's consumer, a consumer is willing to increase his loyalty towards a product to a large extent after considering the ethical image of the company.

As discussed earlier the consumers are today more conscious about their contribution to the welfare of the society.

Consumers today to a certain extent are being educated on the hazards to the society, the depletion of natural resources, extinction of flora and fauna, corruption, refusal to pay unfair wages to the employees, employing children, violation of laws etc. this can be treated before it is too late, and the consumers- that is the end users play a major role in treating such economic and social terrorization. This can be done by boy-coting the products from those companies that are unethical in nature, for example consumers can boy cot the products of those companies that do not pay their tax, companies that are accused of not paying fair wages to the employees etc. when the consumers refrain from buying such products the companies are forced to change their track and thus follow the ethical path. This answers the question as to why consumers have to increase their loyalty towards ethical products so as to ensure a holistic development.

Now the question as to what an ethical product is arises. An ethical product is a product that is produced without using unethical factors of production. For example, dress made out of cheetah skin is an unethical product, products manufactured by employing children, raw materials procured by exploiting the farmers in case of agricultural sector etc.

Thus this research has been undertaken due to the fact that today's consumers are moving towards attaining a win-win situation where all the parties involved benefit, the fact that the harm or loss can affect both the parties (business and consumers), in the long run to a large extent has provoked consumers to react, they now make efforts to concentrate on buying products that result in the welfare of each stake holder of the business organization, thus to study this fact and substantiate this fact the study has been taken.

OBJECTIVES OF THE STUDY

The objectives of the study are as follows

- To establish the factors influencing the buying behaviour.
- To understand the various factors that contribute to sound ethical policies of a company
- To understand if there is a relationship between gender and impact of ethical image of the company on buying decision of the respondents.

SIGNIFICANCE OF THE STUDY

The study tries to understand the extent to which a company's ethical policies have an impact on the buying decision of a consumer with respect to FMCG sector. Among the various factors that influence the decision making capacity of a consumer does ethical policies of a company feature? What is the perception of consumers when it comes to ethical practices of companies in the FMCG sector?

REVIEW OF LITERATURE

This article examines whether or not consumer care about ethical behaviour and investigates the effect of good and bad ethical conduct on consumer purchase behaviour. The data is collected through Focus Group discussion. The article was concluded by giving guidelines to marketers to encourage consumers to engage in positive behaviour in favour of ethical marketing. (carrigan & attala, 2001)

The main purpose of the study was to find out whether business ethics have an effect on buying behaviour of consumers especially in clothing. The results showed that consumers would like to get more information on ethics followed by a clothing company. (Seppanen, May 2013)

This research paper has put forward a model that describes the consumer attitude and behaviour towards the ethical concerns about business practices as it influences their purchase behaviour. It was tested in a preliminary pilot study that provides some initial support for an explanation of how a form of "ethical purchase behaviour" may come about, including the role of family or individual branding and marketing strategy. (Burke & Milberg, 1993)

The article is based on the analysis of the components of ethics as a determinant of consumer buying decision that helps the marketers to modify and develop their products to capture more and more market share and win the global competitive market. The study revealed that the demographic factors have greater impact on the ethical issues regarding the purchase decision. (H.C.Purohit, 2011)

This research paper aims at understanding how consumer perceives ethical, social and environmental issues in jewellery and how it affects their behaviour. The study concluded by stating, more than 90% of the respondents are interested and concerned of ethical, social and environmental issues in jewellery business. (Jokinen, 2011)

This study explores the factors influencing consumer ethical decision making when purchasing pirated software. In this paper, exploratory factor analysis is used to identify the salient features that impact the consumer decisions. The results showed the integrated framework allowing policy makers and business enterprises to explore dimensions like morality, social influences and moral judgement and their effect on consumer decision making. (Haque, Rahman, & Khatibi, 2010)

This research is aimed at finding out the impact of ethics on purchase behaviour, consumer's willingness to reward ethical firms through purchase decision and consumer's attitude towards corporate ethical behaviour on company behaviour.

This study also brings the fact consumers consider corporate ethics as an important factor, which in turn benefits a company that is ethical by giving it a market advantage. (Viriyavidhayavongs & Yothmontree, 2002)

In spite of being aware of ethical behaviour and having ethical intentions, it is often found that consumers do not purchase ethical products. This gap between ethical purchase intentions and actual buying should be bridged so as to boost ethical consumption. This research has been undertaken so as to discover ways to bridge this gap. (Carrington, Neville, & Whitwell, 2010)

This research paper by using qualitative approach has examined the reason as to why a consumer chooses to buy socially responsible products, the different reasons and factors that contribute in buying a socially responsible product. (Gielissen, 2011)

In this, the researchers have assessed the socio-economic profile, shopping pattern and the various factors affecting the consumer purchase decision towards selected FMCG products. Percentage analysis, Garrett are used as tool for analysis. The study disclosed that most of the consumers are influenced by brand name and quality in purchase of FMCG products. (Mahalingam & kumar, 2012)

RESEARCH DESIGN

3.1 Objectives

- To establish the factors influencing the buying behaviour
- To understand the various factors that contribute to sound ethical policies of a company
- To understand if there is a relationship between gender and impact of ethical image of the company on buying decision of the respondents.

3.2 Research Methodology

This study uses exploratory and descriptive method to understand the consumer buying behaviour and ethical practices of companies in the context of the FMCG sector, the respondents are based out of North Bengaluru. is based on qualitative data (interview method). One to one interview has been used to collect data for the purpose of analysis and finding the results and this method was chosen because the study required expressive information.

3.3 Research Design

Information was collected with the help of an Interview Schedule for the study as the research required more expressive information.

Factors that influence the buying decision were collated from the various literature reviews that were done as a part of this research.

A sample size of 300 respondents was taken as a part of this study and responses were written down during the interview.

3.4 Analysis of Data

Primary data collected through interview will be analyzed and evaluated using Statistical Package for Social Science (SPSS) version 20.0 software to get more precise analysis. The data collected will be entered into SPSS

Data Editor and every variable is coded, and the coded values are labelled. In this study, weighted average ranking method and Chi-square method has been used to analyze the data collected to meet the stated objectives in chapter one.

3.5 Research Sample

The targeted respondents for this study are focused on the residents of Bengaluru (North Bengaluru), Karnataka. Sample comprises 300 respondents from the population from which information needed has to be obtained. The figure 300 has been chosen considering the massive size of the sector opted: that is the FMCG.

3.6 Limitations of the Study

The study is restricted to the consumers in the Bangalore city.

Sample size is 300 consumers only.

The study concentrates only on the FMCG products.

More reliable statistical tools could have been used.

3.7 Scope for further research

This study is confined to the consumers of FMCG sector in Bangalore city, the sample size is restricted to 300 respondents. Since FMCG are consumed by wide range of consumers throughout the country further study can be done on vibrant consumers all over the country, which include the rural population. The further study can be conducted by the researchers on the impact of company's ethical policies on different sectors.

ANALYSIS AND INTERPRETATION

4.1 Weighted Average Ranking Method

A set of factors that influence the buying behaviour of consumers were obtained from the various literature reviews that were undertaken, these factors were to be rated by the respondents. Likert Scale method was used. The analyses were done by using weighted average ranking method so as to understand the importance of the various factors that play a major role when a consumer decides to purchase a product.

Factors that influence the buying behaviour of consumers Ranking

Table-1: Weighted Average Ranks

| Ratings/factors | Strongly disagree | Disagree | Moderate | Agree | Strongly agree | Weighted Average | Rank |
|----------------------------|-------------------|----------|----------|-------|----------------|------------------|------|
| Brand name | 5 | 18 | 85 | 72 | 120 | 3.9467 | III |
| Quantity | 30 | 60 | 52 | 138 | 20 | 3.1933 | VIII |
| Quality | 2 | 18 | 60 | 150 | 70 | 3.8933 | IV |
| Price | 5 | 5 | 90 | 72 | 128 | 4.0433 | I |
| Availability | 2 | 18 | 160 | 60 | 60 | 3.5267 | VI |
| Promotion | 18 | 60 | 178 | 42 | 2 | 2.8333 | IX |
| Packaging | 30 | 30 | 60 | 162 | 18 | 3.3600 | VII |
| Income | 18 | 30 | 18 | 102 | 132 | 4.0000 | II |
| Company's ethical policies | 20 | 50 | 40 | 60 | 130 | 3.7667 | V |

A table with the collected data was prepared and ranks were given to each of the factors by using weighted average. It was observed that the top three factors that influence a consumer's buying decision are price, income and brand name (being ranked first, second and third). It should be noted that the ethical policies of the company have been ranked number 5 among the eight given factors.

The reason discovered was that the consumers were equipped with inadequate knowledge regarding the importance of ethical policies of the various companies.

Ethical practices of the company

A set of factors that constitute sound ethical policies/ practices were obtained from Literature Reviews and the respondents were asked to rank them on a scale of one to five (one being the least and five being the highest). The analyses were done by using weighted average ranking method to identify the important factors that consumers consider to be sound ethical policies/practices.

Table-2: Weighted Average Ranking

| Rates/Ethical practices | Rank 1(Least) | Rank 2 | Rank 3 | Rank 4 | Rank 5(Highest) | Weighted Average | Rank |
|--|------------------|-----------|-----------|-----------|--------------------|---------------------|------|
| Not evading tax | 60 | 30 | 90 | 102 | 18 | 2.9600 | VII |
| Quality products | 0 | 0 | 18 | 150 | 132 | 4.3800 | I |
| Reasonable prices | 0 | 0 | 36 | 132 | 132 | 4.3200 | II |
| Contribute to the welfare of the society | 0 | 18 | 90 | 132 | 60 | 3.7800 | V |
| Employing minorities | 18 | 0 | 150 | 72 | 60 | 3.5200 | VI |
| Decreasing pollution | 18 | 0 | 72 | 78 | 132 | 4.0200 | IV |
| Truthful advertisements | 18 | 18 | 30 | 102 | 132 | 4.0400 | III |

It was observed on using weighted average ranking method that even today a majority of the consumers consider providing of quality products or un adulterated products by companies as the most ethical way of doing business. The other factors that were placed second and third were reasonable prices and truthful advertisements respectively.

Chi- Square Test

Relationship between gender and impact of ethical image of the company on buying decision.

One of the objectives of the study was to understand if there is a relationship between gender and impact of ethical image of the company on buying decision. Thus a hypothesis was formed and CHI SQUARE TEST was used to study and analyze the relationship.

Hypothesis

H₀: there is no relationship between gender and impact of ethical image of the company on buying decision.

H₁: there is a relationship between gender and impact of ethical image of the company on buying decision.

Table- 3

| Gender | Yes | No | Neutral |
|--------|-----|----|---------|
| Male | 40 | 16 | 50 |
| Female | 74 | 40 | 80 |

Table- 4: Chi-Square test using SPSS

Case Processing Summary

| | Cases | | | | | |
|--|-------|---------|---------|---------|-------|---------|
| | Valid | | Missing | | Total | |
| | N | Percent | N | Percent | N | Percent |
| Gender of the Respondants * Impact of Ethical Policies on Buying | 300 | 100.0% | 0 | 0.0% | 300 | 100.0% |

Gender of the Respondants * Impact of Ethical Policies on Buying Crosstabulation

Count

| | | Impact of Ethical Policies on Buying | | | Total |
|---------------------------|--------|--------------------------------------|----|---------|-------|
| | | Yes | No | Neutral | |
| Gender of the Respondants | Male | 40 | 16 | 50 | 106 |
| | Female | 74 | 40 | 80 | 194 |
| Total | | 114 | 56 | 130 | 300 |

Chi-Square Tests

| | Value | df | Asymp. Sig. (2-sided) |
|------------------------------|--------------------|----|-----------------------|
| Pearson Chi-Square | 1.680 ^a | 2 | .432 |
| Likelihood Ratio | 1.712 | 2 | .425 |
| Linear-by-Linear Association | .339 | 1 | .560 |
| N of Valid Cases | 300 | | |

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 19.79.

ANALYSIS

Chi Square Test was run on SPSS and the value received is 0.432 which is greater than the significance level of 0.05, hence we accept the Null Hypothesis which says that there exists no relationship between gender of the respondents and impact of ethical image of the company on their buying decision. The buying decision based on ethical practices of the company is not influenced by the gender of the respondents.

FINDINGS, SUGGESTIONS AND CONCLUSION**5.1 Findings**

The core agenda of the research was to find out to what extent the ethical policies of the company affected the buying behaviour of the consumers, in this course the fact that even today a majority of the consumers consider the price of the product to a great extent before making their purchase decisions and 63% of the consumers agreed that they consider the ethical policies of the companies before making their purchase decisions.

Over the years a company was considered to be ethical only if its activities were related to the common public, like C.S.R activities etc. but from this research it was found that apart from the activities that are directed towards the common public, the other factors from the companies' end like providing quality products, payment of tax on time, not employing child-labour, employing minorities are also considered as ethical practices followed by the companies by the consumers. The study has revealed that when a company offers quality products and prices its products reasonably it said to have sound ethical policies along with other decreasing pollution and truthful advertisements are the factors.

For a consumer to ensure that he buys ethical product it is important for him/her to research on the ethical products available in the market, not many of the respondents have conducted research on ethical products, only 5% of the consumers indulge in researching on ethical buying. This makes them ignorant about the ethical products in the market.

Since it is also the responsibility of the consumers to contribute to the welfare of the society, the consumers can indirectly do this by increasing their loyalty toward the companies producing ethical product. The consumers were questioned on this and a majority of them (90%) have responded with a yes. They said they will reward an ethical company by just increasing their loyalty towards the ethical product.

5.2 Suggestions (Social Implications)

The companies should ensure that the consumers are made more aware of the ethical policies that they follow, the policies should be communicated and this can be done by including it in the packaging of the product. Consumers should be rewarded in the form of gifts, discounts etc. by the company or the Government, for purchasing ethical products. This will encourage them to increase their preference towards purchasing ethical products.

Information regarding the company's ethical policies should be made more easily available to the consumers only by doing this the awareness that the consumers have regarding the ethical practices of the companies can be enhanced.

Companies can disclose their ethical policies by inculcating it in their promotional and marketing strategies; this will have a direct impact on the consumers.

Government should take more initiatives and educate people on buying ethical products.

5.3 Conclusion

This study was taken so as to analyse the impact of the ethical policies of companies on the buying behaviour of the consumers, the study was confined to the FMCG sector because this sector includes all categories of consumers, and is consumed on a day to day basis, it was also observed that 60% of the expenditure made by a majority of consumers constituted the expenditure on FMCG.

Qualitative data was collected by way of one to one interview. Questions were asked to obtain the perception of 300 consumers.

The overall study reflected the fact that consumers are now getting inclined towards ethically produced goods and services, they are also ready to boycott products from unethical companies, thus a company's ethical policy does impact the purchase decision of a consumer in the current scenario.

The consumers also feel that they are not well aware of the ethical policies of the company; they prefer to be educated on the various policies followed by the company. Another major factor that is affecting the purchase of ethical products is the price charged; the consumers feel that the price should be reasonable and affordable by all classes of people.

The idea of adopting a one to one interview method to collect primary data turned out to be more useful and reliable than expected; this revealed the interest that consumers are now showing more interest towards ethical products. It was also noticed that apart from factors that affect the environment and employment of child labour, factors like timely payment of taxes and the correct amount of taxes, providing employee welfare etc. are also gaining importance in the current scenario. It shows that consumers are more conscious while making their purchase decisions and this in turn has increased pressure on the company so as to function more ethically.

Participants' bias in this study is not highly prevalent, since it was a personal interview and majority of the participants were interviewed in their leisure time. Before the questions required for the study were put forth it was necessary to find out if the consumers were aware of the term "ethics" in the business context in order to get the responses "right". The purpose was that the respondents first understand ethics as a whole (confined in the context of business) after which they were able to provide valid answers. If the respondents would have not understood the concept of ethics, their answers would have not been valuable.

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INVESTMENT BEHAVIOR OF EQUITY INVESTORS IN CAPITAL MARKET WITH SPECIAL REFERENCE TO SALEM DISTRICT, TAMILNADU

Dr. E. Daniel Santhosh RajAssistant Professor, Department of Commerce, Kristu Jayanti College (Autonomous), Bengaluru

ABSTRACT

The present study is an attempt to know the profile of the investor and also to know the behavior of investors so as to know their preference with respect to their investment avenues. It also helps to know about the factors influencing investment decision of investors in Salem District.

The study reveals that the investors are considering factors such as fundamental analysis, risk and return, liquidity, past experience, news and brokers advice before making investment. Most of the investors are satisfied with the performance of Capital Market. It is also evident that the investors are investing their money to get a regular income than capital enlargement.

Keywords: Investment Behavior, Salem District, Investment Avenues

I. INTRODUCTION

Investment is the time, energy or matter spent in the hope of future benefits actualized within a specific date or time frame. In the area of financial management an investment is a monetary asset purchased with the thought that the asset will provide income in the potential or appreciate and be sold at a high price. The investment process is concerned with how an investor should proceed in making decision about what marketable securities to invest in, how extensive the investment should be and when the investment should be made. The growth of economy provides an investor to invest in different markets. One of the most important markets which facilitate opportunity to invest is Capital Market.

Capital Market is a souk for long term securities. It is a average through which securities having a maturity period exceeding one year are traded. The financial intermediation between the suppliers and borrowers of capital is the major function of Capital Market. It is a market for borrowing and lending long term capital funds required by business enterprises. Capital Market offers an ideal source of external finance. It is a market for fiscal asset that have extended or indefinite maturity. Capital Market forms an important part of a nation's financial system too

One of the important securities in Capital Market which provides cheaper and easy investment opportunity to invest is equity shares. Equity shares are the ownership securities of a company. All the income earned by the company after meeting the external obligation belongs to equity holders. Shares that carry no preferential or special rights in respect of annual dividends and in the repayment of capital at the time of the liquidation of the company are called equity shares. These kind of shares take no special rights; therefore, these are also known as common stock or ordinary shares. Investment in equity shares means buying and holding of shares by individuals and firms in anticipation of income from dividend and capital gains.

II. SELECT REVIEWS APPLICABLE FOR THIS STUDY

Susan Saji Kavumkal (2016) in her research have found that investors are determining factors such as fundamental analysis, risk, and return, liquidity, past experience, news and brokers advice before making investment in Capital Market. Most of the investors are satisfied with the presentation of Capital Market.

Kumar Singh (2006) who has analyzes the investment pattern of people in Bangalore city and Bhubaneswar analysis of the study was undertaken with the help of survey conducted. It is accomplished that in Bangalore investors are more conscious about various investment areas and the risk associated with that. And in Bhubaneswar, investors are more conservative in nature and they prefer to invest in those avenues where risk is less like bank deposits, small savings, post office savings etc.

Ajmijy.A. A (2008) used a questionnaire to know determinants of risk forbearance of individual investors and collected responses from 1500 investors. He concluded that the men are less risk averse than women, less educated investors are less likely to take risk and age factor is also significant in risk tolerance and also the financial investors are more risk threat tolerance than the less rich investors.

III. STATEMENT OF THE PROBLEM

The investment in equities is a principal choice for investors. The decision of investors on the type of investment is shaped by various external and internal factors. The present study is an attempt to analyze the investment behavior and pattern of investment and the factors influencing investment decision of equity investors.

RESEARCH OBJECTIVE

To find out the investment behavior of Equity investors in Capital Market in Salem District.

IV. METHODOLOGY

Data

The data requisite for the study are primary in nature. The primary data have been composed by making use of well constructed questionnaire.

Area of Study

The present study is confined to the investors of Salem District.

Sample Design

By adopting convenient sampling, 75 respondents have been selected.

Framework of Analysis

The collected data have been analyzed by making use of Chi-Square Test, Composite Indices.

Limitations of the study

The study covered only Salem District. So utmost care is exercised while generalizing the result. Analysis of the data has been done on the assumption that information provided by the respondents is genuine.

Table-1: Demographic Profile

| Variables | Particulars | Frequency | % |
|---------------------|--------------------------|-----------|----|
| Gender | Male | 50 | 67 |
| | Female | 25 | 33 |
| Age | Below 25 | 13 | 17 |
| | 25-35 | 22 | 30 |
| | 35-45 | 16 | 21 |
| | 45-55 | 13 | 17 |
| | Above 55 | 11 | 15 |
| | | | |
| Qualification | SSLC | 4 | 5 |
| | Plus two | 8 | 11 |
| | Degree | 32 | 43 |
| | P.G | 25 | 33 |
| | Others | 6 | 8 |
| Occupational status | Own Business | 21 | 28 |
| | Private Company Employee | 20 | 27 |
| | Govt. Employee | 15 | 20 |
| | Retired | 9 | 12 |
| | Others | 10 | 13 |
| Income | Below 50000 | 13 | 17 |
| | 50001-100000 | 18 | 24 |
| | 100001-300000 | 15 | 20 |
| | Above 300000 | 29 | 39 |

| | | | |
|--------------------|----------------------|----|-------|
| Source of Income | Salary | 46 | 61.33 |
| | Savings | 27 | 36 |
| | Loan | 1 | 2 |
| | Others | 1 | 2 |
| Investment motive | Regular Income | 32 | 43 |
| | Capital Appreciation | 19 | 25 |
| | Dividend | 17 | 23 |
| | Others | 7 | 9 |
| Satisfaction Level | Highly Satisfied | 6 | 8 |
| | Satisfied | 35 | 47 |
| | Neutral | 23 | 30 |
| | Dissatisfied | 8 | 11 |
| | Highly Dissatisfied | 3 | 4 |

Source: Data collected and computed through Questionnaire

From the above table it is inferred that

- Majority of the investors are Male,
- Majority are in the age group 25-35,
- 43% of the respondents are Graduates,
- Majority are doing Business,
- Most of the investors are having Income more than 300000,
- Majority of the respondents are earning income from Salary,
- 43% of the respondents are investing for earning Regular Income,
- Most of the investors are satisfied from the Investment in Capital Market,

Chi-Square Test

Table-2: Experience of the respondent and Pattern of Investment

| Experience | Repeatedly invest in same stock | Invest in different stock | Total |
|---------------------------------|---------------------------------|---------------------------|-------|
| Less than 1 year | 12 (16%) | 5 (6.66%) | 17 |
| 1-3 years | 8 (10.66%) | 20 (26.66%) | 28 |
| 3-5 years and more than 5 years | 6 (8%) | 24 (32%) | 30 |
| Total | 26 | 49 | 75 |

(Source: Primary Data)

Figures in parenthesis represent percentage.

Above table indicates that 16% of the respondents having experience of less than one year repeatedly invest in same stock, while 26.66% and 32% of the respondents having experience of 1-5 and more than 5 years invest in different stock.

HYPOTHESIS TESTING

In order to know whether there is any dependency relationship between experience of the investors and pattern of their investment, chi-square test of independence is performed. For this following hypothesis has been lay down and the result is presented in the table 2.1

H0: There is no dependency relationship between experience of the investors and pattern of their investment.

Table-2.1: Result of Test

| Test | Computed value | Degree of freedom | Level of significance | Table value at 5% |
|-------|----------------|-------------------|-----------------------|-------------------|
| X^2 | 12.98 | 2 | 5% | 5.99 |

Since the table shows that hypothesis is rejected. Therefore it can be concluded that there is dependency relationship between experience of the investor and pattern of their investment.

Table-3: Composite Indices [Factors influencing while making investment in Capital Market]

| Factors | Rank 1 | Rank 2 | Rank 3 | Rank 4 | Rank 5 | Rank 6 | Rank 7 |
|-------------------------|--------|--------|--------|--------|--------|--------|--------|
| a) Fundamental analysis | 15 | 11 | 12 | 13 | 9 | 8 | 7 |
| b)Risk | 17 | 10 | 5 | 10 | 8 | 13 | 12 |
| c)Return | 20 | 16 | 5 | 13 | 6 | 6 | 9 |
| d)Liquidity | 10 | 16 | 5 | 13 | 11 | 7 | 13 |
| e)Broker's advice | 6 | 15 | 4 | 16 | 14 | 12 | 8 |
| f)Past experience | 12 | 5 | 11 | 12 | 10 | 20 | 5 |
| g) News | 10 | 15 | 4 | 3 | 16 | 20 | 7 |

Source: Primary data

Table-3.1

| Factors | Rank | 1 | 2 | 3 | 4 | 5 | 6 | 7 | CI | Rank |
|-------------------------|-------|-----|----|----|----|----|----|----|-----|------|
| | score | 7 | 6 | 5 | 4 | 3 | 2 | 1 | | |
| a) Fundamental Analysis | | 105 | 66 | 60 | 52 | 27 | 16 | 7 | 333 | 2 |
| b) Risk | | 119 | 60 | 25 | 40 | 24 | 26 | 12 | 306 | 3 |
| c) Return | | 140 | 96 | 25 | 52 | 18 | 12 | 9 | 354 | 1 |
| d) Liquidity | | 70 | 96 | 25 | 52 | 33 | 14 | 13 | 303 | 4 |
| e) Broker's Advice | | 42 | 90 | 20 | 64 | 42 | 24 | 8 | 290 | 6 |
| f) Past Experience | | 84 | 30 | 55 | 48 | 30 | 40 | 5 | 292 | 5 |
| g) News | | 70 | 90 | 20 | 12 | 48 | 40 | 7 | 289 | 7 |

Source: Primary data

The major factors that are considered by the respondents before making investment in capital market have been studied by arranging and ranking them on the basis of their importance. All the seven options have been considered for analysis and composite index numbers have been calculated. It is seen from the table that the most important factor that consider the respondents before making investment is the return with 354 points. Investors give second preference to fundamental analysis while risk factor ranks third. Respondents consider liquidity as the fourth factor while they rank past experience as fifth. Sixth rank is given to broker's advice while news factor ranks last position with 289.

V. SUGGESTIONS

1. The majority of the investors in the capital market are men. So initiatives should be taken to increase the participation of women.
2. Proper study must be made in the factors like fundamental analysis, industry analysis and company analysis before making investment in capital market.
3. Before making investment in a company, the investor should enquire the price of shares, trend of earnings of the company and earnings of companies in the same industries.
4. Investing in a single company or single industry, the chance of losses may be high. So investor should diversify their investment pattern or select a proper investment portfolio.

VI. CONCLUSION

The study is conducted to evaluate the "Investment behavior of equity investors in capital market with special reference to Salem District" was a study conducted to understand investment behavior, investment pattern, satisfaction level and factors affecting investment decision of equity investors in capital market. The study reveals that the investors are considering factors such as fundamental analysis, risk, and return, liquidity, past experience, news and brokers advice before making investment in capital market. Most of the investors are satisfied with the performance of capital market. It is also evident that the investors are investing their money to get a regular income than capital appreciation.

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DETERMINING THE STRATUM OF EMPLOYEES' STRESS IN OCCUPATIONAL CLIMATE

A. Kingston¹, Dr. G. Paulraj² and T. Sutha³Research Scholar^{1,3} and Associate Professor², Department of Commerce, V.O.Chidambaram College, Tuticorin
Affiliated to Manonmaniam Sundaranar University, Tirunelveli

ABSTRACT

The paper aims to disclose the different grounds for occupational stress at work place. Occupational stress is defined as a physical or psychological disorder associated with an occupational environment, can affect the working environment and endanger the well-being of the workforce. In a common parlance, any discomfort which is felt and perceived at an individual level and triggered by instances, events, persons in the organisation, or situations that are too intense and frequent in nature. Researchers identified occupational stress as the stress results from the perception that the demands exceed one's capacity to cope at work. Primary data is collected from 386 employees working in private sectors around Thoothukudi using convenient sampling method. The study examines the causes of occupational stress under four different constructs; individuals' inability to cope up with the organisational demand, job design, interrelationship level among the workforce, and the working conditions of the organisation. The direct effect of these four constructs on occupational is to be measured using structural equation modelling (SEM).

Keywords: Occupational Stress, Private Employees, Job design, Stress in Private Organisation

1. INTRODUCTION

Organizations of today are very demanding as they require the workforce to manage time for multitasking in order to meet unrealistic deadlines in the cut throat competition. This intense pressure of performance is felt even more in the private companies as they deal with the ever changing and constantly evolving needs of global client age, which ultimately made the private companies to be ranked top among the most stressful organizations to work (Sandeep and Tanu, 2017). On the other side, these private corporations and companies contribute greatly to the GDP of India. But this growth came at a huge cost; that of Human Resources.

The on-going scenario of high competition among the companies has further added to the explosiveness, resulting in increased job insecurity, wage cuts, improper working conditions and rapid obsolescence of skills thus making private companies to be one of the most stressful arenas to work in India. The more experienced you are in private companies, the more stress you have to face as with the increase in responsibilities the deadline become stricter, the teams become bigger and tougher to work. Hence the paper aims to understand the degree of stress a private employee undergoes in a private employment avenue under four different constructs, namely; organisational culture, interrelationship among workforce, the characteristics of the job design, and the personal attributes of employees.

2. REVIEW OF LITERATURE**2.1. Organisational Culture (OC)**

The association of effort-reward imbalance at work and of a high degree of work related over commitment was seen in all countries. This has an impact on the occupational stress (Salavecz et al, 2010). Moreover, the adverse modules of organisational culture, such as the stringent management procedures, imbalanced reward system, autocratic leadership style have a negative impact over the productivity of the employees, and the factor further lead for the hypertension and occupational distress (Theorell et al, 2000). Based on the above discussion it is hypothesised as below;

H1: The organisational culture directly influences the stress level of the workforce.

2.2. Job Design (JD)

The stress-prone job is the one in which the goals or objectives are contradictory, lines of support are ill defined, and there is a role ambiguity, with no hope for improvement. A triggering event makes the worker to be aware of his vulnerability and at the same time feel isolated (Brodsky, 1977). Hence, it could be evidenced that the ill-defined job Moreover, it is strongly associated with uncertain job future and dissatisfaction with co-workers and promotions among men who suppress their anger (Cottincton et al, 1986). Besides, Higher pressures were associated with worksite differences, male gender, lacking a high school education, having a clerical occupation, working hours (Uchiyama et al, 2005), and being unmarried (Schlssel et al, 1990). Hence, it could be understood that these are highly related to the job design of the company. Based on the above discussion, it is hypothesised that;

H2: The ill-defined job design has a significant influence on occupational distress

2.3. Personal Attributes (PA)

Human attributes that impact on stress are; job satisfaction, the organization of the work, and whether the job offers security and flexibility, ability to adjust, and possibilities for advancement. Personal variables, such as self-perceived capabilities, proficiency in communication, computer operating skills, ability to upgrade, self-confidence, and the ability to cope with stressful situations, also comes into play (Salavecz et al, 2010). Indeed, it has been suggested that the perception that one's job is stressful or the perception of control over events may be powerful predictors of stress. Hence the below hypothesis is developed based on the discussion;

H3: The personal attributes related to work make an impact on occupational stress

2.4. Interrelationship among workforce (IR)

Guimont et al, (2006) found that the working conditions with low levels of social support at work appeared to be at higher risk for increases in work distress. The persons with poor self-esteem and poor socializing skills seem to sense pressure in all realms of their work activities. Moreover the high socializing skills account to the maximum amount of productivity in business activities (Uchiyama et al, 2005). Hence, it is hypothesised below;

H4: Interrelationship among workforce makes an impact on occupational stress

3. METHODOLOGY

3.1. Questionnaire Development for Data Collection

The questionnaire was designed in three sections. The first section confined to general demographic questions, such as gender, age, level of education, nature of occupation, and marital status, while the second section of the questionnaire encompassed the questions related to testing parameters. There were six demographic questions and 16 items for measuring variables. However, two items have been removed while performing model fit. Hence the final measuring variables were 14 at last. The items were measured by adopting Likert scale.

3.2. Data and Sample

In order to test the developed hypotheses, a structured questionnaire as stated above was used to collect data in Thoothukudi. Convenience sampling method was employed. Though many researchers question about the generalizability of results of convenient sampling method, there are substantiations that suggest the usage of this method in studies concentrate on understanding the consumer purchasing behaviour studies (Cheah & Phau, 2011; Prakash & Pathak, 2017). Primarily, a pilot test was conducted among 23 respondents around Thoothukudi district and some jargons and idioms in the questionnaire were removed from the questionnaire accordingly. Further, a total of 400 questionnaires were issued and collected. Out of which 14 questionnaires were found incomplete. After the scrutiny of the completeness of the collected questionnaires, the sample size finally comes to 386.

3.3 Sample Characteristics

The profile of the respondents includes gender, age, marital status, education, and the nature of occupation (table 1). The demographic characteristic composition of the sample is shown in Table 1. The gender distribution was 58.7 per cent of male and 41.3 per cent of female. The majority of the respondents are in the age group of 31 to 40 years, which account to 38.1 per cent. The respondents who fall in the age group of 21 to 30 years are of 30.4 per cent. In terms of marital status, the distribution was 29.7 per cent of unmarried and 70.3 per cent of married respondents. In terms of the nature of occupation, 66.8 per cent of the respondents work on permanent basis and the rest of them (33.2 per cent) are working either on contractual basis or on temporary basis. Out of 386 respondents, the largest group of respondents (47.6 per cent) completed under graduation or diploma. The respondents who are professionals account to only 6.6 per cent. Regarding the educational attainment the sample reflects a good literacy, as the paper mainly aims to measure the stress level of working employees.

Table-1: Demographic Profile of the Respondents

| Profile | Category | Frequency | Percentage |
|----------------|----------------|-----------|------------|
| Gender | Male | 227 | 58.7 |
| | Female | 159 | 41.3 |
| Age Group | Below 20 Years | 24 | 6.3 |
| | 21 - 30 Years | 117 | 30.4 |
| | 31 - 40 Years | 147 | 38.1 |
| | 41 - 50 Years | 66 | 17.1 |
| | Above 51 Years | 31 | 8.0 |
| Marital Status | Married | 115 | 29.7 |

| | | | |
|----------------------|--------------------|-----|------|
| | Unmarried | 271 | 70.3 |
| Nature of Occupation | Permanent | 258 | 66.8 |
| | Contract/Temporary | 128 | 33.2 |
| Education | Up to HSC | 123 | 31.8 |
| | Graduate/ Diploma | 184 | 47.6 |
| | Post-Graduate | 54 | 14.0 |
| | Professional | 26 | 6.6 |

Source: Primary Data

3.4. Statistical Analysis

The data were analysed using the Structural Equation Modelling (SEM) technique via the Analysis of Moment Structure (AMOS) computer programme. The interrelationship between the constructs of the conceived model was tested using the Statistical Package for Social Science (SPSS), computer program version 21. Analysis comprises of two steps. The first step, a confirmatory factor analysis (CFA) was performed to validate the reliability, convergent, and divergent validity of the measurement model. In the final step, full structural model was estimated to assess the overall model fit and the hypothesized association with the help of standardized regression coefficients (β) and p -values.

4. RESULTS

4.1 Measurement Model Analysis

The measurement model was assessed through confirmatory factor analysis (CFA) in order to check the psychometric properties of the measured items, reliability, convergent validity, and the discriminant validity of the construct measures. The measured items for the constructs are given below in table 2.

Table-2: Measurement Items

| Constructs | Measurement Items |
|------------------------|---|
| Job Design | JD1: My duties and responsibilities at work are not clearly defined |
| | JD2: I'm not satisfied with my designation as it has no/little status |
| | JD3: I have got the job that does not fit to my education |
| Interrelationship | IR1: We do not have the intimacy with one another in the company |
| | IR2: I am afraid to share my intrinsic opinions with others |
| | IR3: The team I belong to does not support me at the needy time |
| Organisational Climate | OC1: My company limits us to communicate our Ideas / Opinions freely |
| | OC2: No opportunities for the self-growth |
| | OC3: We are not given appreciations /awards/rewards/salary increment |
| | OC4: Grievance handling procedure is not up to the mark |
| | OC5: There is a stringent supervision at work |
| Personal Attributes | PA1: My skill set is insufficient to carry out the job |
| | PA2: Lack of communication skills |
| | PA3: Inability to meet even the feasible targets. |

4.1.1. Reliability Analysis

The Cronbachs' alpha coefficient values were calculated to observe the reliability of each construct. The constructs are mainly considered to be valid if the Cronbachs' alpha exceeds a level of 0.70 (Yoon, 2009). All the calculated alphas in this research meet the guidelines (table 3). The alphas range from 0.728 to 0.844 which expresses a high reliability of the items. The constructs have met the accepted range of reliability of dropping some items from the construct.

Table-3: Descriptive analysis and assessment of the measurement model

| Description | Mean | Cronbach's Alpha | CR ^a | AVE ^b |
|-------------|------|------------------|-----------------|------------------|
| OC1 | 4.06 | 0.836 | 0.917 | 0.591 |
| OC2 | | | | |
| OC3 | | | | |
| OC4 | | | | |
| OC5 | | | | |
| JD1 | 3.72 | 0.728 | 0.810 | 0.693 |
| JD2 | | | | |

| | | | | |
|-----|------|-------|-------|-------|
| JD3 | | | | |
| IR1 | | | | |
| IR2 | 3.56 | 0.844 | 0.826 | 0.614 |
| IR3 | | | | |
| PA1 | | | | |
| PA2 | 3.79 | 0.793 | 0.868 | 0.688 |
| PA3 | | | | |

^a Composite Reliability (CR) = (square of the summation of the factor loadings) / [(square of the summation of the factor loadings) + (square of the summation of the error variance)]

^b Average Variance Extracted (AVE) = (summation of the factor loadings) / [summation of the square of the factor loadings + (summation of the error variance)]

The mean scores of all the constructs have been given in table 3. Out of the maximum score of 5, most statements have a mean level more than 3.5. This implies considerably high level of agreement have been given to the measurement items by the respondents. The respondents seemed to express high concern on the organisational culture (4.06 per cent). The mean values of endogenous variables, PA and JD have the mean values of 3.79 and 3.72 respectively.

4.1.2. Convergent Validity

In addition to the Cronbach's alpha test, Composite Reliability (CR), and Average Variance Extracted (AVE) have been calculated and results are shown in table 3. The analysis shows that the CR values of all the constructs are greater than the threshold value of 0.60 (Bagozzi and Yi, 1988). The average variance extracted ranged from 0.591 to 0.688, above the minimum acceptable limit of 0.50 (Fornell and Larcker, 1981) and it ensures the convergent validity.

4.1.3. Divergent or Discriminant Validity

The divergent or discriminant validity of the constructs has been analysed in table 4. In the table off-diagonal values refer to the correlation between the constructs while the diagonal values represent the square root of average variance extracted. All the constructs unanimously have the p value of 0.001 which is highly significant. The square root of AVE of each construct was larger than the correlation between the constructs which ensured the adequate discriminant validity. According to the results, the measurement model is completely satisfactory (table 4).

Table-4: Discriminant Validity and inter-correlations of constructs

| Latent Variables | JD | OC | IR | PA |
|------------------|--------------|--------------|--------------|--------------|
| JD | 0.769 | | | |
| OC | 0.751** | 0.832 | | |
| IR | 0.747** | 0.670** | 0.784 | |
| PA | 0.709** | 0.638** | 0.593** | 0.829 |

**, Correlation is significant at the 0.01 level (2-tailed).

Note: Diagonals (in bold) represent square roots of average variance extracted (AVE) while off-diagonals represent correlations

4.1.3. Model fitness of CFA

The model (i.e. CFA) is constructed to examine the validity of the constructs. The constructs exhibit a good model fit. The observed data for the CFA are shown in table 5, fit into the recommended model fit indices (table 5).

Table-5: Threshold Values

| Measure | Estimate | Threshold | Interpretation |
|---------|----------|-----------------|----------------|
| CMIN | 175.083 | -- | -- |
| DF | 71 | -- | -- |
| CMIN/DF | 2.466 | Between 1 and 3 | Excellent |
| CFI | 0.923 | >0.95 | Acceptable |
| SRMR | 0.060 | <0.08 | Excellent |
| RMSEA | 0.072 | <0.06 | Acceptable |
| PClose | 0.053 | >0.05 | Excellent |

The above modal sets a good fit for the CFA. The interpretation has been given for each indicator, based on measures given by Gaskin, J. & Lim, J. (2016), which has been given in table 6.

Table-6: The cut-offs for the interpretation

| Measure | Terrible | Acceptable | Excellent |
|---------|----------|------------|-----------|
| CMIN/DF | > 5 | > 3 | > 1 |
| CFI | <0.90 | <0.95 | >0.95 |
| SRMR | >0.10 | >0.08 | <0.08 |
| RMSEA | >0.08 | >0.06 | <0.06 |
| PClose | <0.01 | <0.05 | >0.05 |

4.2. Structural Model Analysis

In order to determine model fitness, the following indices are examined: Chi-Squared (χ^2), degrees of freedom (df), Chi-Squared/degrees of freedom (χ^2/df), the goodness of fit index (GFI), the average goodness of fit index (AGFI), the root mean square error of approximation (REMSEA), the comparative fit index (CFI), the Tucker Lewis index (TLI) as well as the parsimony normed fit index (PNFI) and the parsimony goodness of fit index (PGFI).

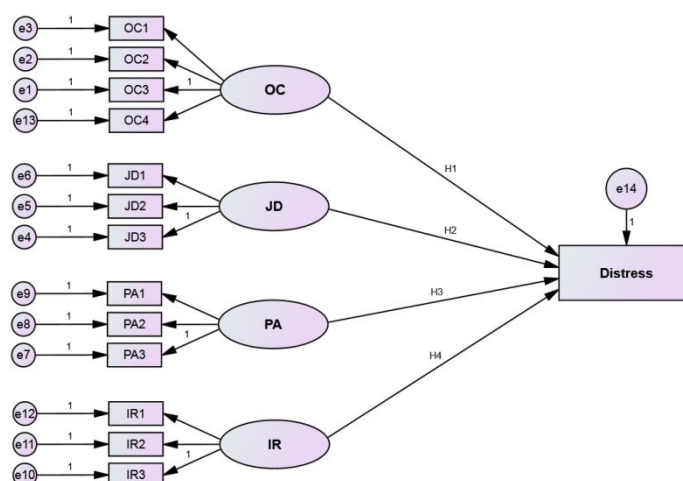


Fig-1: Conceptual Model

The goodness of fit model indicators demonstrated an acceptable for the structural model without any mediators as the hypotheses also measure the direct influence on the dependent construct ($\chi^2 = 234.20$, $\chi^2/d.f. = 2.624$, CFI = 0.922, GFI = 0.901, AGFI = 0.881, NFI = 0.921, IFI = 0.903, TLI = 0.913, RMSEA = 0.069). These indicators meet the required fit indices and express a satisfactory model as they fulfil the threshold values (table 6). The following table highlights the model fit indices for the conceptual model.

Table-7: Hypotheses Testing – Regression Weights

| Hypo | Estimate | S.E. | C.R. | P |
|-------------------------------|----------|-------|-------|------|
| Distress \leftarrow OC (H1) | .560** | 0.235 | 2.383 | .005 |
| Distress \leftarrow JD (H2) | .364* | 0.357 | 1.300 | .015 |
| Distress \leftarrow PA (H3) | .348 | 0.177 | 1.966 | .145 |
| Distress \leftarrow IR (H4) | .364* | 0.383 | 0.950 | .043 |

Standardized beta coefficients of the structural model were used in reporting the strength of the effects between the variables. The measurement items under OC seem to have high influence than other variables, which has a high significance ($p < .01$). Hence, the hypothesis H1 is accepted and it is found that there is a high significant influence of organisational culture (OC) on the occupational distress. In terms of JD and IR, they have significant influence on the occupational stress, which is endorsed by the p value ($p < 0.05$). Hence, the hypotheses H2 and H4 are accepted. However, there is no significant influence of PA on occupational distress as the p value crosses more than 0.05. Dividing the regression weight estimate by the estimate of its standard error

gives C.R ($.560/.235 = -2.383$). In other words, the regression weight estimate for OC is 0.667 standard errors above zero. This was done for the other constructs and presented in the above table.

CONCLUSION

The twenty first century business environment is not only about working for a eight hours job, but with it comes lots of adverse situations which private company employees go through. Out of organisational culture plays a vital role in causing distress at workplace. It has also been suggested that the companies may make avenues to build approachable environment to work with. Besides, the employees feel that their organisation is highly target-oriented. Employees and their contribution in attaining the targets are often ignored. They would work even more committed if they get appreciation or recognition for their personal efforts. Further, the personal attributes have no impact over the occupational stress. Companies can pay attention in creating a socialized environment for the employees. The more interpersonal relationship the employees have, the more the organisation could ensure productivity.

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A COMPARATIVE STUDY OF MALE AND FEMALE INVESTOR'S PERSONALITY TYPES AND OVERCONFIDENCE BIAS IN INDIA

Fozia Mehtab

Research Scholar, Bangalore University, Bangalore

ABSTRACT

The present research paper discusses the personality types of male and female investors and difference in the overconfidence bias of investors on the basis of gender and personality types. Data has been collected from 1,000 Indian investors by using judgment sampling through a structured questionnaire of Overconfidence Bias related questions in investing and MBTI Test questionnaire has been used to assess the personality types of investors. The results of the study indicate a significant relationship between personality types and overconfidence bias of male and female Indian investors. The findings of the study could be useful for individual investors in improving their investment decisions and consequently the investment return by understanding their personality types and if they have overconfidence bias or not. Apart from this the financial advisors also could take advantage from the findings of the present study by understanding the personality type and investment related behavioral biases of their client and accordingly suggesting them the best investment option available in Indian stock market.

Keywords: Behavioral Finance, Overconfidence Bias, Personality Types and Investment Decision.

INTRODUCTION

We all know that men and women are different so there is no surprise that these differences are reflected in their financial behaviors too. Although the success of their investments largely depends on the performance of the choices they make, their approach to investing often partly depends on gender. Overall, women invest less money, and do so in less risky investments than men do (Hira & Loibl, 2008). Research has shown that gender, personality type of an individual and behavioral biases influence investment decision-making in three ways: risk, confidence and preferences. Matt Phillips once explained in Quartz that pretty much everything on Earth, including financial markets, would run better if women were in charge.

There are two sides to consider with regard to investor confidence and gender. Women generally feel less competent in financial matters than men (Beyer and Bowden, 1997), so they may not be as financially active as necessary. For men, however, *overconfidence* is the concern. From the behavioral finance perspective, overconfidence means an over believe and trust in your skill, ability or knowledge than it actually is — and research has shown that overconfidence affects male trading and investment behavior (Barber and Odean, 2001). Men earn more than women so generally they tend to be more financially active than is necessary or warranted; they trade more than women. Apart from income gap, there is one more factor which creates the differences in investment biases between men and women which is “the particular personality type” of an individual. Men have some common personality characteristics in themselves and so do women but if they both (men and women) are comparatively analyzed, they are found pretty different on many grounds of personality and consequently this difference is reflected in their investment decisions too.

WHAT IS OVERCONFIDENCE BIAS?

The **overconfidence effect** is a well-established bias in which a person's subjective *confidence* in his or her judgements is reliably greater than the objective *accuracy* of those judgements, especially when confidence is relatively high.^[1] Overconfidence is one example of a miscalibration of subjective probabilities. Throughout the research literature, overconfidence has been defined in three distinct ways: (1) *overestimation* of one's actual performance; (2) *overplacement* of one's performance relative to others; and (3) *overprecision* in expressing unwarranted certainty in the accuracy of one's beliefs.

WHAT ARE MBTI PERSONALITY TYPES?

Myers-Briggs theory is an adaptation of the theory of psychological types produced by Carl Gustav Jung. It is based on 16 personality types, which Jung viewed as stereotypes (Jung 1921, p. 405). They act as useful reference points to understand your unique personality (Jung 1957, p. 304). At the heart of Myers Briggs theory are four preferences. Do you prefer to deal with:

- People and things (Extraversion or "E"), or ideas and information (Introversion or "I").
- Facts and reality (Sensing or "S"), or possibilities and potential (Intuition or "N").
- Logic and truth (Thinking or "T"), or values and relationships (Feeling or "F").

- A lifestyle that is well-structured (Judgment or "J"), or one that goes with the flow (Perception or "P").

And these above eight letters forms 16 distinctive personalities of human beings which are as follows: ISTJ - The Duty Fulfiller, ISTP - The Mechanic, ISFJ - The Nurturer, ISFP - The Artist, INFJ - The Protector, INTJ - The Scientist, INTP - The Thinker, ESTP - The Doer, ESTJ - The Guardian, ESFP - The Performer, ESFJ - The Caregiver, ENFP - The Inspirer, ENFJ - The Giver, ENTP - The Visionar and ENTJ - The Executive

A lot of studies have explored many demographic variables for showing the differences in the investment decisions biases between male and female investors but very few have focused on their personality types, and the one which have focused, they too have used mainly the big five factor model only for the assessment of personalities. In the present paper we have used a very effective model (MBTI Model) for assessing the personalities of male and female investors and afterwards we have put efforts to find out the relation between their personality type and overconfidence bias in regard of investment decision.

REVIEW OF LITERATURE

Many studies have been reviewed for the present research paper and the main out them are following:

1. Raheja S and Dhiman B (2017) found a significant positive or negative relationship between investment biases and personality traits as well as the regression model of their study has shown that overconfidence bias affected the most to investment decisions of people.
2. Isidor R (2017) concluded in her study that when the behavioral factors expressed by each investor personality type is known, financial advisors would be well equipped to guide the investors in making the right investment decisions thereby helping them avoid financial blunders.
3. Sarwar A et. al. (2016) have shown in the findings of their study that there is significant relationship of psychological factors and economic factors with individual investor's decision-making. Regression analysis shows that psychological factors as compared to economic factors have more effect on decision-making behavior.
4. Charles A and Kasilingam R(2016) Findings of discriminant analysis explore that investors' frames, personality and mood bias factors influence their general investment decisions.
5. Rajagopalan P and Guruswami H (2015) have analysed ten psychological biases and seven personality traits of Indian stock market retail investors and revealed that three distinct personalities had significant relation with unique psychological biases.
6. Purohit H et.al. (2014) has shown through the results of their study that investors' combine their behavioral and cognitive psychology with financial decision making process.
7. Lin H.W (2011) has examined the relationship between Big Five personality traits of investors and the investment biases and he found that there was a significant relation between four personality traits and three behavioral biases.

OBJECTIVES OF THE STUDY

Following are the main objectives of the present study:

- 1) To study the personality types of male and female investors
- 2) To study the overconfidence bias of male and female investors.
- 3) To find out the relationship between investor's personality and overconfidence bias.

RESEARCH METHODOLOGY

It's an exploratory study to find the relation between overconfidence bias and MBTI personality types. Data for the study has been collected by using an structured questionnaire containing three types of questions, first some personal information, second questions related to overconfidence bias in investment decisions and third part was containing the questions related to personality(MBTI Test questions).

For the analysis of data SPSS version 24 has been used to apply independent sample T test for comparing the mean scores of personality types and overconfidence bias between male and female individual Indian investors and multiple linear regression is run by assuming overconfidence bias as dependent and personality types as independent variables.

NULL HYPOTHESES OF THE STUDY

1. There is no significant difference between male and female investors in regard of personality type.

2. There is no significant difference between male and female investors in regard of overconfidence bias.
3. There is no significant relationship between personality type and overconfidence bias.

DATA ANALYSIS

Table: 1 is showing the demographic details of participants. There were total 1,000 respondents who work at different cities of India and make some kind of investments. Out of 1,000 respondents, 578 were males and 422 were females.

Table-1

| Gender | Frequency | Percent | Kind of Investor | Frequency | Percent |
|-------------------------------|------------------|----------------|---|------------------|----------------|
| Male | 578 | 57.8 | Beginner | 275 | 27.5 |
| Female | 422 | 42.2 | Moderate | 398 | 39.8 |
| Total | 1000 | 100 | Professional Investor | 327 | 32.7 |
| Age Group | Frequency | Percent | Total | 1000 | 100.0 |
| 18 - 25 | 96 | 9.6 | Income Allocation for Investment | Frequency | Percent |
| 26 - 35 | 172 | 17.2 | Less Than 10% | 180 | 18.0 |
| 36 - 50 | 336 | 33.6 | 10%-20% | 390 | 39.0 |
| 51 - 65 | 270 | 27 | 20%-30% | 305 | 30.5 |
| Over 65 | 126 | 12.6 | More Than 30% | 125 | 12.5 |
| Total | 1000 | 100 | Total | 1000 | 100.0 |
| Educational Group | Frequency | Percent | Investment Involvement | Frequency | Percent |
| SSLC | 44 | 4.4 | Very Low (0-20%) | 107 | 10.7 |
| PUC | 67 | 6.7 | Low (20%-40%) | 211 | 21.1 |
| UG | 274 | 27.4 | Average (40%-60%) | 167 | 16.7 |
| PG | 422 | 42.2 | High(60%-80%) | 208 | 20.8 |
| Professional Education | 132 | 13.2 | Very High(80%-100%) | 307 | 30.7 |
| Others | 61 | 6.1 | Total | 1000 | 100.0 |
| Total | 1000 | 100 | Return Expectation | Frequency | Percent |
| Occupation Group | Frequency | Percent | Minimum 5%-10% | 54 | 5.4 |
| Salaried | 333 | 33.3 | 10%-15% | 192 | 19.2 |
| Professional | 210 | 21 | 15%-20% | 252 | 25.2 |
| Business | 313 | 31.3 | More Than 20% | 502 | 50.2 |
| Others | 144 | 14.4 | Total | 1000 | 100.0 |
| Total | 1000 | 100 | Market Opted for Investment | Frequency | Percent |
| Investment Period | Frequency | Percent | Primary Market | 275 | 27.5 |
| Under 1 year | 95 | 9.5 | Secondary Market | 381 | 38.1 |
| 1-3 years | 159 | 15.9 | Both | 344 | 34.4 |
| 3-5 years | 245 | 24.5 | Total | 1000 | 100.0 |
| 5-10 years | 409 | 40.9 | | | |
| 10 years and above | 92 | 9.2 | | | |
| Total | 1000 | 100.0 | | | |

First Hypothesis: “There is no significant difference between male and female investors in regard of personality type”.

Table-3

| Group Statistics | | | | | |
|------------------|----------------|-----|--------|----------------|-----------------|
| | 1. Your gender | N | Mean | Std. Deviation | Std. Error Mean |
| ISTJ | Male | 578 | 90.68 | 8.028 | .334 |
| | Female | 422 | 89.83 | 7.826 | .381 |
| ISFJ | Male | 578 | 92.14 | 9.228 | .384 |
| | Female | 422 | 113.32 | 8.443 | .411 |
| INFJ | Male | 578 | 92.27 | 9.295 | .387 |
| | Female | 422 | 114.04 | 8.361 | .407 |

| | | | | | |
|------|--------|-----|--------|-------|------|
| INTJ | Male | 578 | 90.81 | 8.045 | .335 |
| | Female | 422 | 90.55 | 7.683 | .374 |
| ISTP | Male | 578 | 95.87 | 8.332 | .347 |
| | Female | 422 | 75.17 | 8.222 | .400 |
| ISFP | Male | 578 | 97.33 | 9.301 | .387 |
| | Female | 422 | 98.66 | 8.450 | .411 |
| INFP | Male | 578 | 97.46 | 9.471 | .394 |
| | Female | 422 | 99.37 | 8.169 | .398 |
| INTP | Male | 578 | 95.99 | 8.465 | .352 |
| | Female | 422 | 75.88 | 7.879 | .384 |
| ESTP | Male | 578 | 97.72 | 7.023 | .292 |
| | Female | 422 | 90.31 | 7.164 | .349 |
| ESFP | Male | 578 | 98.58 | 7.928 | .330 |
| | Female | 422 | 114.63 | 7.204 | .351 |
| ENFP | Male | 578 | 98.71 | 7.889 | .328 |
| | Female | 422 | 115.35 | 7.259 | .353 |
| ENTP | Male | 578 | 97.84 | 6.940 | .289 |
| | Female | 422 | 91.02 | 7.082 | .345 |
| ESTJ | Male | 578 | 96.92 | 9.614 | .400 |
| | Female | 422 | 96.43 | 9.606 | .468 |
| ESFJ | Male | 578 | 93.40 | 8.888 | .370 |
| | Female | 422 | 129.30 | 7.587 | .369 |
| ENFJ | Male | 578 | 93.52 | 8.742 | .364 |
| | Female | 422 | 130.01 | 7.853 | .382 |
| ENTJ | Male | 578 | 92.66 | 7.576 | .315 |
| | Female | 422 | 105.69 | 7.189 | .350 |

Table: 3 shows the differences between the personality types of male and female Indian investors. Out of sixteen personalities of MBTI test, males and females were found significantly different in thirteen personality types i.e. ISFJ, INFJ, ISTP, ISFP, INFP, INTP, ESTP, ESFP, ENFP, ENTP, ESFJ, ENFJ and ENTJ.

Table-4

| Independent Samples Test | | | | | | |
|--------------------------|-----------------------------|---|------|------------------------------|---------|-----------------|
| | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | |
| | | F | Sig. | t | df | Sig. (2-tailed) |
| ISTJ | Equal variances assumed | .707 | .401 | 1.672 | 998 | .095 |
| | Equal variances not assumed | | | 1.679 | 920.084 | .094 |
| ISFJ | Equal variances assumed | 4.725 | .030 | -37.139 | 998 | .000 |
| | Equal variances not assumed | | | -37.657 | 948.958 | .000 |
| INFJ | Equal variances assumed | 2.056 | .152 | -38.144 | 998 | .000 |
| | Equal variances not assumed | | | -38.778 | 955.759 | .000 |
| INTJ | Equal variances assumed | 1.130 | .288 | .512 | 998 | .609 |
| | Equal variances not assumed | | | .516 | 929.974 | .606 |
| ISTP | Equal variances assumed | 1.145 | .285 | 39.018 | 998 | .000 |
| | Equal variances not assumed | | | 39.100 | 914.068 | .000 |
| ISFP | Equal variances assumed | 7.015 | .008 | -2.313 | 998 | .021 |
| | Equal variances not assumed | | | -2.348 | 951.793 | .019 |
| INFP | Equal variances assumed | 10.381 | .001 | -3.348 | 998 | .001 |
| | Equal variances not assumed | | | -3.426 | 970.683 | .001 |
| INTP | Equal variances assumed | 5.493 | .019 | 38.195 | 998 | .000 |
| | Equal variances not assumed | | | 38.624 | 941.643 | .000 |
| ESTP | Equal variances assumed | .021 | .883 | 16.341 | 998 | .000 |
| | Equal variances not assumed | | | 16.290 | 896.860 | .000 |
| ESFP | Equal variances assumed | 5.553 | .019 | -32.843 | 998 | .000 |

| | | | | | | |
|------|-----------------------------|-------|------|---------|---------|------|
| | Equal variances not assumed | | | -33.336 | 951.753 | .000 |
| ENFP | Equal variances assumed | 3.928 | .048 | -34.061 | 998 | .000 |
| | Equal variances not assumed | | | -34.506 | 946.598 | .000 |
| ENTP | Equal variances assumed | .047 | .828 | 15.213 | 998 | .000 |
| | Equal variances not assumed | | | 15.165 | 896.653 | .000 |
| ESTJ | Equal variances assumed | .130 | .718 | .785 | 998 | .432 |
| | Equal variances not assumed | | | .786 | 907.714 | .432 |
| ESFJ | Equal variances assumed | 6.879 | .009 | -67.034 | 998 | .000 |
| | Equal variances not assumed | | | -68.696 | 973.885 | .000 |
| ENFJ | Equal variances assumed | .949 | .330 | -68.022 | 998 | .000 |
| | Equal variances not assumed | | | -69.166 | 956.283 | .000 |
| ENTJ | Equal variances assumed | .009 | .923 | -27.447 | 998 | .000 |
| | Equal variances not assumed | | | -27.673 | 932.971 | .000 |

The above Table: 4 shows that the mean score of female investors were significantly higher than males in ten personality types i.e. ISFJ, INFJ, ISFP, INFP, ESFP, ENFP, ESFJ, ENFJ and ENTJ while the male investors were having significantly higher mean scores than females in four personality types ISTP, INTP, ESTP and ENTP therefore we reject the first null hypothesis that there is no significant difference between the personality types of male and female investors.

Second Hypothesis: There is no significant difference between male and female investors in regard of Overconfidence bias.

Table: 6 Shows that there is a significant difference between male and female investors regarding overconfidence bias and male investors' mean score (21.72) is more than female investors' mean score (15.54) shown in the Table: 5 below therefore we reject the second hypothesis that there is no significant difference between male and female investors regarding investment decisions.

Table-5

| Group Statistics | | | | | |
|---------------------|----------------|-----|-------|----------------|-----------------|
| | 1. Your gender | N | Mean | Std. Deviation | Std. Error Mean |
| Overconfidence Bias | Male | 578 | 21.72 | 3.779 | .157 |
| | Female | 422 | 15.54 | 3.843 | .187 |

Table-6

| | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | |
|---------------------|-----------------------------|---|------|------------------------------|--------|-----------------|
| | | F | Sig. | t | df | Sig. (2-tailed) |
| Overconfidence Bias | Equal variances assumed | 1.717 | .190 | 25.387 | 998 | .000 |
| | Equal variances not assumed | | | 25.321 | 898.51 | .000 |

Third Hypothesis: There is a significant relationship between overconfidence bias and personality types.

For finding the relationship between overconfidence bias and personality types multiple linear regression was run where Enter method has been used. Table: 7 shows an R square of 0.363 and adjusted R square with the value of 0.358.

Table-7

| Model Summary | | | | |
|---|-------------------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .602 ^a | .363 | .358 | 3.910 |
| a. Predictors: (Constant), ENTJ, ESTP, ESTJ, INFP, ISTJ, ESFP, INTP | | | | |

Table: 8 shows significant value of less than 0.05 which reflects there is a significant relation between overconfidence bias and personality types of investors.

Table-8

| ANOVA ^a | | | | | | |
|---|------------|----------------|-----|-------------|--------|-------------------|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 8634.776 | 7 | 1233.539 | 80.692 | .000 ^b |
| | Residual | 15164.680 | 992 | 15.287 | | |
| | Total | 23799.456 | 999 | | | |
| a. Dependent Variable: Overconfidence Bias | | | | | | |
| b. Predictors: (Constant), ENTJ, ESTP, ESTJ, INFP, ISTJ, ESFP, INTP | | | | | | |

Table: 9 below shows that ISTJ, INFP, INTP, ESFP, ESTJ and ENTJ have significant values less than 0.05 and INTP and ESFP are positively related to overconfidence bias while ISTJ, INFP, ESTP, ESTJ, and ENTJ are negatively related with overconfidence bias. Thus the regression equation model which has been formed from the values of Table: 9:

$$OH = 22.592 + ISTJ (-.098) + INFP (-.239) + INTP (.356) + ESTP (-.085) + ESTJ (-.026) + ENTJ (-.043)$$

Therefore we reject the third hypothesis too that there is no significant relationship between overconfidence bias and personality types of investors.

Table-9

| Coefficients ^a | | | | | | |
|--|------------|-----------------------------|------------|---------------------------|--------|------|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 22.592 | 2.446 | | 9.236 | .000 |
| | ISTJ | -.098 | .021 | -.160 | -4.601 | .000 |
| | INFP | -.239 | .115 | -.441 | -2.082 | .038 |
| | INTP | .356 | .121 | .941 | 2.943 | .003 |
| | ESTP | -.085 | .120 | -.139 | -.714 | .476 |
| | ESFP | .119 | .114 | .269 | 1.043 | .297 |
| | ESTJ | -.026 | .013 | -.052 | -2.030 | .043 |
| | ENTJ | -.043 | .018 | -.086 | -2.399 | .017 |
| a. Dependent Variable: Overconfidence Bias | | | | | | |

FINDINGS OF THE STUDY

Following are the main findings of the present study

- 1) First null hypothesis has been rejected after finding significant difference between the mean scores of male and female investors through independent sample t test. It has been found that the mean scores of female investors were higher than males in the personality type ISFJ, INFJ, ISFP, INFP, ESFP, ENFP, ESFJ, ENFJ and ENTJ while the male investors were having significantly higher mean scores than females in four personality types ISTP, INTP, ESTP and ENTP.
- 2) Second null hypothesis was also rejected after running independent sample t test between overconfidence bias and male and female investors as it has been found that the mean score of male investors was higher than female investors which show that male investors are more overconfident regarding their investment decisions as compared to female investors.
- 3) Finally the third null hypothesis of the study also has been rejected after finding through multiple linear regression that there was a significant relationship between six personality types (ISTJ, INFP, INTP, ESFP, ESTJ and ENTJ) and overconfidence bias.

CONCLUSION

After the data analysis of the study and rejecting all the three hypotheses it is concluded that there is a significant difference between the personality types as well as overconfidence bias of male and female investors and few particular personality types of investors have some positive and negative relationships with the overconfidence bias therefore it is suggested to the individual male and female investors to analyze first their particular personality type by using any type of personality test whether MBTI or some other personality test and after the evaluation of their particular type they should check with themselves how much they are getting affected in their investment decisions due to their personality type. Apart from this the investors must also have an assessment of their behavioral biases and its effects on their investment decisions. The financial advisors of the investors could also help their clients in assessing their personalities and behavioral biases and that's how they could make them able to take better investment decisions.

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A STUDY ON THE PERCEPTION OF STUDENTS ON THE FUTURE OF ARTIFICIAL INTELLIGENCE IN THE FIELD OF HUMAN RESOURCE MANAGEMENT

Zeba Sarwath

Student, Mount Carmel College (Autonomous), Bengaluru

ABSTRACT

Artificial intelligence (AI) is the ability of a machine i.e. computer/robot to carry out activities in a manner similar to that of intelligent beings i.e. humans. Human Resource Management has always been a field that could not adopt technological advancements completely due to restrictions in their applicability. However, with the advent of AI, which is said to have its applicability in various fields, it becomes imperative to study how AI fits into various of business management functions. This will help us assess & compare the actual applicability compared to the expected.

This paper aims to study the perception of students towards the future of AI in the field of Human Resource Management. Students are the future generation of employees that will be impacted by the adoption of AI. Therefore, this paper aims to study their perceptions regarding the future of AI.

Keywords: Artificial Intelligence, Human Resource, Management, Digitalisation.

INTRODUCTION

Computers are machines that have been programmed by humans to carry out certain tasks. These devices initially depended on human knowledge & thinking to carry out simple tasks. Over time the devices were so improved that now complicated tasks take seconds to be completed with minimal human intervention. Artificial intelligence (AI) is the ability of a machine i.e. computer/robot to carry out activities in a manner similar to that of intelligent beings i.e. humans. Basically, AI technology allows machines to carry out complicated tasks & in case of errors, learn from them & improve their method until the right answer is received. AI has the ability to learn & adapt to situations, understand & reason out complicated tasks, sense & correlate with objects, high problem-solving skills & also the ability to carry out a conversation. Thus, AI has a vast scope for its applications & numerous benefits that it brings to the business world.

The growth & success of AI can be seen in the robot Sophia developed by Hanson Robotics in Hong Kong. Sophia is a human shaped robot that uses AI. It has the ability to display various human emotions, gestures, carry out a conversation, 'see' & recognise objects/ people. The robot is continually getting upgrades in its AI software to become more efficient & harness more skills. As such it has been said that robots like Sophia can be used in areas like that of healthcare, customer service, education etc. The Robot is the first of its kind to gain citizenship of a country.

AI has various features that makes it invaluable to the business functions. Organisations have already started adopting AI in their business operations despite there being some contention over its use. The idea of a machine gaining advantage & replacing human beings in various aspects has not been accepted by the masses on the whole. There are many valid points on both sides of the spectrum of this debate. However, this topic is one that is still in its nascent stage & requires exploratory studies to be conducted.

AI has been adopted in business functions like marketing, finance & human resource management. It provides the organisation with analysis & insights that help in its operations.

Human resource management operation of an organisation refers to those functions being carried out to effectively handle the human resources of an organisation. These functions are inclusive of the following: recruitment, training, performance evaluation, grievance handling etc.

Like other business operations of marketing & finance, organisations believe that human resource functions can be integrated with AI just as seamlessly. Many companies have already jumped on the bandwagon & adopted AI to improve their functions like that of recruitment, employee onboarding, performance evaluation etc.

AI in human resource management in organisations can be seen as follows

- **New Employee Management:** New hires in an organisation require a lot of attention in order to make their transition into the company seamless & efficient. The success of this functions encourages employees to remain with the organisation for a longer period & improves their productivity. Adoption of AI in this function helps reduce the cost of carrying out these functions as well as increase productivity & motivation of the organisation. AI will develop & maintain a system where the new employee can be effectively & efficiently guided through their initial training period.
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- **Support Decision Making:** AI is being adopted support decision making functions of the HR department. These include functions like that of training, recruitment, analysis of feedback etc.
- **Automation of Routine Tasks:** AI helps automate repetitive tasks carried out by the HR department of the organisation. This helps in reducing their workload and helps to shift the organisations focus to more strategic, complex & pressing issues.
- **Recruitment:** The process of recruitment of the right candidate can become cumbersome when the candidates for the job are numerous. AI simplifies this process by automating part of the process & thus reducing the work burden of analysing numerous resumes, scheduling of interviews, feedback management etc.
- **People analytics:** AI software enables the HR department in analysing the activities & performance of their workforce by using statistical tools & AI models. This helps making the process more efficient & reliable by removing factors such as human bias etc. Another aspect of people analytics is that by analysing the activities of its employees it can track & find out the employees most likely to leave the organisation & the factors that cause the same. Thus, this tool becomes invaluable in managing the organisation's workforce.

Having realised the importance of AI in today's business world, it becomes imperative to study its implications. AI in the field of human resource is a novel topic that is yet to be studied. There are many articles discussing its importance, benefits & applications. However, an important angle to this topic is the perception of students (the future workforce) towards its implementation in the field of human resource management.

STATEMENT OF THE PROBLEM

AI & its future is a vast concept that is in its nascent stage of exploration. While research is being conducted to analyse its applications & its future opportunities & challenges, research regarding the perception of people who are going to be directly affected by its adoption is being ignored. This paper aims to study the perception of students towards adoption of AI in the field of human resource management. So as to gain insight into the future workforce's perception of its implementation.

SCOPE OF THE STUDY

The paper studies the perception of students towards AI in the field of human resource management specifically. It analyses their perception on the implementation, applications & challenges of AI in the field. The study was carried out on students of Mount Carmel College - Bengaluru, specialising in the field of Commerce.

OBJECTIVES OF THE STUDY

The objectives of carrying out this study are as follows

- To understand the student's perception on artificial intelligence.
- To find out if the student think AI is beneficial & should be adopted.
- To understand if the students think AI can be applied to Human Resource functions.
- To find out the challenges hindering the adoption of AI according to students.

RESEARCH METHODOLOGY

The study conducted is a descriptive research. Wherein questionnaires were circulated to 50 commerce students of Mount Carmel College by the application of simple random sampling. The results of the questionnaires were then analysed by applying statistical tools like that of mean, percentage, standard deviation & ranking.

SOURCES OF DATA

The data collected for the study is primary data sourced from the responses generated from the questionnaires. Secondary data used to support the research process was sourced from internet articles.

LIMITATIONS OF THE STUDY

The limitations of the study carried out are as follows

- The sample was restricted to students of Mount Carmel College. Therefore, opinions of students from other colleges couldn't be analysed.
- There is very little published data regarding artificial intelligence that made carrying out the research difficult.
- Students have limited knowledge regarding artificial intelligence.

ANALYSIS OF DATA

The table below depicts the analysis of the data derived from the questionnaires.

| Questions | Options | Percentage | Mean | Standard deviation |
|---|--|------------|------|--------------------|
| Do you think artificial intelligence can be applied in the field of human resource? | Yes | 76 % | 25 | 18.38 |
| | No | 24% | | |
| Interpretation | It can be noted that according to 76% students, AI can be applied to the field of human resource management. The mean responses for the options are 25 & the standard deviation between the opinions is 18.38. | | | |

| | | | | |
|---|---|-----|-------|-------|
| Do you think artificial intelligence will be beneficial to the field of HR? | Yes | 76% | 25 | 18.38 |
| | No | 24% | | |
| Interpretation | 76% of the students believe that adopting AI will be beneficial to the field of HR. The mean responses were 25 & the standard deviation was 18.38. | | | |
| It is believed that AI can help automate the process of recruitment & reduce the factor of human bias that leads to errors in the process of recruitment. What do you think is the effect of AI on the recruitment process? | It will improve the process of recruitment | 58% | 16.67 | 10.97 |
| | It will have no effect on the process of recruitment | 16% | | |
| | It will have a negative effect on the process of recruitment | 26% | | |
| Interpretation | Majority (58%) of the students believe that AI will improve the process of recruitment. The mean responses were 16.67 & the standard deviation was 10.97. | | | |
| AI is expected to take on jobs involving routine tasks carried out by the HR dept. What do you think will be the effect of AI on the job market? | AI will help create more jobs. | 26% | 16.67 | 6.35 |
| | AI will not affect the no of jobs in the market. | 26% | | |
| | AI will reduce the no of jobs in the market. | 48% | | |
| Interpretation | Majority (48%) of the students believe that AI will decrease the number of jobs in the market. While 26% believes it will create more jobs & the remaining 26% believe it will have no effect. The mean responses were 16.67 & the standard deviation was 6.35. | | | |
| Do you think AI is more beneficial to new/lower level employees or to experienced/mid – high level employees? | It is beneficial for new/lower level employees | 28% | 25 | 15.56 |
| | It is beneficial for experienced/mid – high level employees | 72% | | |
| Interpretation | Majority (72%) of the students believe that AI is beneficial for experienced & mid-high-level employees. The mean responses were 25 & the standard deviation was 15.56. | | | |

| | | | | |
|---|--|-----|----|------|
| AI is expected to increase corporate training & coaching for managers & employees. What is your view on this? | AI can replace the human touch of corporate training & coaching. | 48% | 25 | 1.41 |
| | AI cannot replace the human touch of corporate training & coaching. | 52% | | |
| Interpretation | Majority (52%) of the students believe that AI can replace corporate training & coaching. The mean responses were 25 & the standard deviation was 1.41. | | | |
| AI is expected to help in the adoption of metrics & analytics in performance evaluation of employees. What do you think is the effect of adopting AI in performance evaluation? | AI can perform better performance evaluation of employees. | 58% | 25 | 5.66 |
| | AI cannot carry out a performance evaluation of employees. | 42% | | |
| Interpretation | Majority (58%) of the students believe that AI can carry out better performance evaluation of employees. The mean responses were 25 & the standard deviation was 5.66. | | | |

| | | | | |
|--|--|-----|----|-------|
| AI is expected to increase & improve the number of qualified candidates being assessed. What do you think is the effect AI has on candidate recruitment? | AI can improve the process of recruitment | 60% | 25 | 7.07 |
| | AI cannot improve the process of recruitment | 40% | | |
| Interpretation | Majority (60%) of the students believe that AI can improve the candidate recruitment process. The mean responses were 25 & the standard deviation was 7.07. | | | |
| Do you think AI can handle complicated HR functions like grievance handling etc.? | Yes | 32% | 25 | 12.73 |
| | No | 68% | | |
| Interpretation | Majority (68%) of the students believe that AI cannot handle complicated HR activities like that of grievance handling. The mean responses were 25 & the standard deviation was 12.73. | | | |

| | | | | |
|---|--|-----|-------|------|
| AI learning technology is believed to increase the productivity of employees. What do you think is the effect of AI learning technology on the productivity of employees? | It increases the productivity of employees | 38% | 16.67 | 4.04 |
| | It does not increase the productivity of employees | 38% | | |
| | It has a negative effect on the productivity of employees. | 24% | | |
| Interpretation | The 38% of the students believe that AI will increase the productivity of employees, while another 38% believe it will have no effect on productivity & 24% believe that it will decrease the productivity. The mean responses were 16.67 & the standard deviation was 4.04. | | | |

| Question | Options | Rank | % | Mean | Standard deviation |
|---|---|------|-----|------|--------------------|
| What do you think are the challenges to adoption of AI? | High cost of implementation | 2 | 26% | 12.5 | 10.41 |
| | Adoption of AI disrupts the current working of the organisation. | 3 | 12% | | |
| | Too much emphasis on efficiency of the hr department leading to negligence of other factors. | 4 | 8% | | |
| | All of the above | 1 | 54% | | |
| Interpretation | According to 54% students the challenges faced by AI are high cost of implementation, disruption in the current system of working of the organisation & that too much emphasis is given to efficiency leading to negligence of other factors. The mean responses were 12.5 & the standard deviation was 10.41. The result of ranking the responses placed ‘all of the above’ on first place & the rest of the options following it. | | | | |

FINDINGS

From the above analysis of data, the findings are

- Students believe that AI can be applied to the field of human resource management.
- Students believe that adoption of AI is beneficial to human resource management.
- Student believe that AI will improve the process of recruitment.
- Students believe that adoption of AI will decrease the number of jobs in the market.
- Students believe that AI is beneficial for experienced & mid-high-level employees.
- Students believe that AI can be adopted to replace traditional corporate training & coaching.
- Students believe that AI can carry out performance evaluation better than traditional methods.
- Students believe that AI cannot handle complicated HR functions like that of grievance handling.

- Equal proportion of students believe that AI will increase employee productivity or have no effect on employee productivity. A small group of them believe that it will decrease productivity.
- Students believe that the challenges faced by AI are high cost of implementation, disruption in the current system of working of the organisation & that too much emphasis is being given to efficiency leading to negligence of other factors.

RECOMMENDATIONS

Based on the study conducted, the following steps are recommended

- More studies should be carried out on this topic by including a much diverse sample population. This will help increase knowledge base about AI.
- Awareness should be spread about AI, as not many people are aware of the nuances of AI & its importance. This will help people take better career decisions.
- The effect of AI on the job market must be studied & necessary steps should be taken if its adoption leads to decrease in jobs.
- Students should be adequately prepared to handle AI at work where it is being adopted. This will help improve their performance at work.
- The challenges being faced by AI need to be studied & necessary steps should be taken to combat them efficiently.

CONCLUSION

Artificial intelligence is a step forward, a step towards a brighter future. This is a statement that showed that AI had the backing of various individuals and business. Now we can conclude that students form a part of those individuals that support adoption of artificial intelligence based on the study. There may be many hurdles in the adoption of AI, however, careful planning & execution can lead to success. AI has the ability to transform the human resource management field.

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AN ATTENTION ON THE CONSUMERS INTEREST IN ADVERTISEMENT AND ATTITUDE TOWARDS ETHICAL ISSUES: WITH SPECIAL REFERENCE TO VARANASI

Dr. Arti Singh

Assistant Professor, Department of Commerce, Kristu Jayanti College (Autonomous), Bangalore

ABSTRACT

Advertising carries several responsibilities. Advertising informs the public so that they can be aware of products and make informed choices among different products or brands. Advertising also benefits business in assisting them to sell their products. But while dispensing its role as a dream merchant, advertising has also been in the vortex of controversy of the many ills that it brings to society. It is accused of encouraging materialism and consumption, of stereotyping, of causing us to purchase items for which we have no need, of taking advantage of children, of manipulating our behavior, using sex to sell, and generally contributing to the downfall of our social system. Advertising does not function in a vacuum but it operate in a market environment where several forces like consumer needs, business interests and government regulations are at work. The present paper reviews the importance of advertisement to different parties and consumer's interest in advertisement and their Attitude towards Ethical Issues in the holy city of Varanasi.

Keywords: Consumers, Advertisements, Ethical Issues, Privatization, Society

INTRODUCTION

Advertising is the ubiquitous characteristic of modern society. Advertising is everywhere with the growing expansion of electronic media. In fact, it is available even in the home at any time of day and night. More particularly consumer advertising has become an integral part of life whether one likes it or not advertisement has the sticking capacity to one's life. The benefit which accrues to one is the facility in selecting the consumer items. It puts before the consumers the options, choice, judgment in selecting different items. It also has the power to compel and lure the consumer to select a particular item. Advertising is a fascinator in sales and marketing of a product. It augments production and increases the profit of manufacturer; businessman and shopkeepers. Advertising serves some very important purposes. It promotes competition among producers of products and services, keeps prices low through the development of mass markets, encourages store owners to stock a variety of items, supports free expression by funding media sources and spurs inventions. Access to all available information on a given product should promote all of these ends and allow a consumer to make the most intelligent possible product purchase decisions. However advertisement is also a bane of the modern society more often than not advertisement is unethical, manipulative and self-seeker. It adds burden on consumer by squeezing profit and money without any consideration for moral and ethical values. The increasing importance of gender advertising has reduced woman as a commodity. Through her products are launched & popularize in the market. For her, advertisement appeals are made, as woman, as a housewife, is the best customer to select & utilize the consumer items.

REVIEW OF THE LITERATURE

- Based on the empirical evidence, advertising ethics has been and continues to be a very fertile research topic. Previous research articles examine the ethicality of advertisements with persuasive appeals. (Crisp, 1987; Hyman & Tansey, 1990), exploitative appeals (LaTour & Zahra, 1989; Tansey, Hyman and Brown). Others examine the ethicality of advertisements with stereotyped actors (Peterson, 1992; Green, 1993), questionable product such as cigarettes, alcoholic beverages (Pomeroy, Castellano, Becker, Johnson and Brown 1992; Zinkhan et al 1989), professional services (Bullard & Snizek 1988; Mangold 1987; Stafford 1988). Some other articles focus on the ethicality of targeting advertisements to children (Kinsey 1987) and to other subgroups such as the elderly (Peterson 1992).
- In India, a number of empirical studies have been done recently. Panchali Das (2007) in her article "A conceptual review of Advertising Regulations and Standards : Case Studies in the Indian Scenario" has conducted 3 case studies of products like 'Infant milk food, tobacco & Alcoholic beverages and Soft drinks and fast foods'. The study tries to explore the background and the regulatory framework within it functions. The study also seeks to briefly study the role and functions of Advertising Standards Council of India (ASCI). This case study highlights that there are many gaps and inconsistency in the related advertising standards.
- G. Sridhar (2007) in his article entitled "Consumer Involvement in Product Choice - A Demographic Analysis has examined the relationship between consumer involvement and demographics in different cultural context. Two question involvements vary with product? Second – How consumer involvement

differ with various demographic characteristics of the consumer? In the survey 330 respondents were interviewed. It was found that environment differed from individual to individual. It also differed on the basis of age, sex, family, income and occupation. People get involved in the product on the basis of these demographic and social variables.

OBJECTIVE OF THE STUDY

The proposed study is on the selected advertising agencies in Varanasi. The objective of the study is as follows

- The importance of services provided by selective advertising agencies,
- Their developmental slogans, their performance, their business motto,
- Their contributions towards society and
- The criticisms faced by these advertising agency in rendering their services and
- Suggestions so that they may improve their services.

METHODOLOGY

The method used in the present study in percentage analysis to give a conclusion on the basis of primary and secondary data collected. The primary data was collected on the basis of questionnaire provided to around 200 respondents comprising of 100 male and 100 female in various advertising agencies and the secondary data was collected on the basis of published journals and magazines of these agencies.

IMPORTANCE OF ADVERTISING TO DIFFERENT PARTIES ARE

1. Manufacturers Traders

Advertising is helpful to manufacturers and traders in the following ways

- (a) Advertising helps in introducing new products. A business enterprise can introduce itself and its products to the public, through advertising.
- (b) It can create new taste among the public and stimulate them to purchase the new products through effective advertisement.
- (c) It assists to increase the sale of existing products by entering into new markets and attracting new customers.
- (d) Advertising helps to create steady demand of the products. For instance, the innovation of cold tea and cold coffee for use during summer has helped in increasing the demand for these beverages even in summer season.
- (e) Advertising helps in meeting the forces of competition in the market place. If a product is not advertised continuously the competitors may snatch its market through increase advertisements.
- (f) Advertising is used to increase goodwill of a firm by promising improved quality to the customers.
- (g) It increases the morale of the employees of the firm. The salesmen feel happier because their task becomes easier if the product is advertised and known to the public. It can thus inspire them to improved performance.
- (h) Advertising facilitates mass production of goods, which enables the manufacturer to achieve lower cost per unit of product.

2. Customers

Advertising is beneficial to customers due to several reasons

- (a) Advertising makes purchasing easy for consumers by reducing the time and effort involved in shopping. People become aware of the source and availability of different products and need not search them out.
- (b) It educates the people about new products and their diverse uses.
- (c) Advertising increases the utility of existing products for many people. It emphasizes the qualities possessed by certain goods and leads consumers to appreciate more strongly the utility of such goods. As a result, the consumers may be willing to pay even more for certain products which appear to have higher utility to them.
- (d) By advertising his goods, a manufacturer may seek to establish a direct contact with the consumers. In this process the number of middlemen whose profits increase the price and reduce the manufacturer's margin of profits may be considerably reduced.

- (e) It induces the manufacturers to improve the quality of their products through research & development. This ensures supply of the products of better quality to the consumers.

3. Society

The society at large is also benefited because of advertisement

- (a) Advertising provides employment to persons engaged in writing, designing and issuing advertisements. Increased employment brings additional income to the people, which stimulates more demand.
- (b) Advertising promotes standard of living of the people by increasing the variety and quality in consumption as a result of sustained research and development activities by the manufacturers.
- (c) It sustains the press and other media. It provides an important source of income to the press, radio and television network. In the absence of income from advertising, the newspapers have to produce at a higher cost.
- (d) Advertising educates the people about the various uses of different products and this increases their knowledge. It also helps in finding customers in the international market, which is essential for earning foreign exchange.
- (e) Advertising does provide a glimpse of a way of life. It is, in fact, a running commentary on the way of people live and is also an indicator of some of the trends in this regard.

If advertising has numerous merits, it has also created many disadvantageous situations for the consumers and sale and marketing process. Many people have often criticised advertisement as social waste.

The main criticisms against advertisement are

- **It results into promotion of wasteful consumption.** Advertising creates tastes and desires for some products in such a way that many persons are forced to buy things beyond their means or requirements. Although advertising cannot force anybody to buy things which one considers unnecessary, there is no doubt that advertiser, do provoke human instincts through various sales appeals.
- **It may mislead the consumer.** Advertising fails to achieve its objectives and destroys public confidence in those cases where false and exaggerated claims are made about the virtues of products. Some sellers defraud buyers by inducing them to purchase goods of doubtful value use it.
- **Advertising creates monopoly.** It tends to develop brand monopoly by repeatedly promoting certain brand names. Brand monopolies restrict free competition to the detriment of the consumer's interests. Although a particular brand may be similar to another brand in all respects including particular brand may be similar to another brand in all respects including the use of an exclusive name and an illusion is created that it is superior to the competing brands.
- **Advertising increases the cost of product.** It is sometimes done in such an expensive and unbalanced manner that it increases the cost of marketing and the price of products rather than reducing the prices. This puts heavy economic burden on the consumers. However, if advertising is managed properly, it can reduce the cost and price of products by ensuring large-scale production.
- **It encourages lack of dignity.** Advertisers sometimes adopt objectionable themes and messages that are totally devoid of ethical sense, moral value or public decency. For example, use of nude poses of fair sex and vulgar language, excitement of base instincts, attack on the age-old values of society and similar undignified practices in some advertisements are offensive to public morality and decency.
- **Advertising is wastage of national resources.** A serious criticism against advertisement is that it is used to destroy the utility of goods before the end of their normal period of usefulness. For example, new models of automobiles with nominal improvements are advertised at such high pressure that the old models have to be discarded before they become useless.

Though one cannot entirely ignore the objections, which are raised against advertising, most of the drawbacks of advertising are inherent in the competitive system of economy. As a tool of promotion, advertising is unparalleled in its appeal.

CONSUMERS & ADVERTISING

The ultimate aim of all marketing efforts is to satisfy the needs of consumers by transforming the benefits of productive efficiency to the final users. Advertising, as an essential meaning of modern marketing mechanism, helps consumers in at least three ways.

Advertising, through its variant forms, disseminates useful information about the relative merits and special features of the products and services in terms of prices, quality, utility, quantity, durability, convenience and the like thus guiding the consumers to go in for a particular product or a service of a sponsor. The present day complex world of industry has been able to provide with the largest possible varieties of product to such an extent that the consumers are at sea to decide. Further, each producer claims that his product is far superior to others. It is advertising that comes to the rescue of a consumer to select the best by providing him with comparative account of each where he is to decide by his judgment. Thus, the process of decision making is rendered much easier.

Consumers

The seekers of advertising information are all the consumers both individuals and the organizations. They need this information for making their decisions to buy. They seek this information aware or unaware of it.

The number of seekers is really very large. In India we have 100 million people. They may be manufacturers, dealers, and service organizations like hospitals, schools, colleges, churches, temples, mosques, clubs and associations- governmental agencies and other usual final users. The decisions to buy are made either for themselves or for others on their behalf.

The key economic problem of advertising industry today, is not one of conveying all the information to all the individuals and organizations of all the possible offerings available in the market. Conversely, the challenge is to convey the information about what is latest in the field- may be an automobile, a television, machinery, a suit length, a pack of eatable or a bottle of soft drink. The whole thing is that it is the latest that matters than the greatest. Advertising struggles to provide this much desired information to the prospects and the consumers interested in studying and deciding.

The Structure of Advertising Industry

Advertising is a social & business process responsible for the mass communication of the information. Today, advertising is the fastest growing industry that has come to stay so long as the forces of competition are at constant work deciding the destinies of the firms.

Advertising industry is social institution born specially to fulfill human need to acquire and send the information about the availability of products, services and ideas. It is the industry with a network of variety of divergent forces and elements. The structure of this industry gives us the picture of the active participants in the widest range of advertising activities.

The major components of the advertising industry are: *advertisers, media-owners, advertising agencies, consumers and governments*. These dimensions of this dynamic industry are elaborated to have total picture of the industry.

Advertisers

Advertising industry owes its existence to advertisers-the individuals and the organizations- who are ready to send the advertising message to the intended and interested parties. These advertisers may be business or non-business type. Business advertisers are the manufacturers and the dealers who are keenly interested in disseminating the information relating to their products, services or ideas with the intent of popularizing their points of sale or offer. The details of such information are: the availability of the products in a particular store or stores in an area, product specialties, the terms and conditions of sale and so on. On the other hand, non-business advertisers are the individuals and the organizations interested in passing on the information to an individual or a group of individuals. It may not relate to the product, service or an idea of commercial nature. It may release the information on items like births and deaths, functions, ceremonies, celebrations, rules and regulations, terms and conditions, arrivals and departures and the like.

Media-owners

The media carry the message from the senders to the audiences that the senders hope to reach. A medium is any object or a device that carries or conveys the advertising message. The best way to classify these media is to classify them on the basis of the technology used as print, broadcast, telecast, direct mail, film, paint and the like. Again, each medium has the widest range of varieties to suit the requirements of both the advertisers and audiences.

Whatever may be the medium used, the aim of each advertisement is to cover the maximum clientele or the prospects for each rupee spent by the advertiser. The point lies in combining these different media to his advantage. However, it is not an easy task as it is highly specialized, delicate and skillful activity. A fine combination of media results in better rewards for the efforts of the advertiser.

Advertising Agencies

Advertising agencies are a recent component of the advertising industry as compared to the longest and the most colorful history of advertising itself. Advertising agencies were born essentially during the second half of the 19th century in America and early decades of this century in the western European economies and later in Japan and in India.

As their name-indicates, advertising agencies act on behalf of the senders of the message- especially the business firms. An agency is service organization engaged in planning and executing the advertising programmes for the advertisers. Among other, the two key services that most of the agencies render to their clients, the advertisers, are: (a) the creation and development of advertisements and (b) theselection and placement of advertisements in the media through which the advertisements can be sent most effectively and economically. These two functions are fundamental to the success of an advertisement or an entire advertising campaign. The performance of these two functions warrants fairly a high level creativity, production skills, a vigilance as to what competitors are doing, an awareness of the ever changing preferences of the consumers, a willingness to take risks and above alla heavy dose of hard work.

Government

Government as the custodian of the people is playing an increasingly active and significant role and has become an integral part of the advertising industry. It may be the local or the state or the central government that we see playing a key role in the fascinating field of advertising. It is so because these governments manage the behavior of the advertising industry. There are three ways in which they influence the behaviour of advertising industry.

1. The elected officials at all these three levels pass laws that directly or indirectly have bearing on the industry. The Essential Commodities Act, M.R.T.P. Act in India affects the working of manufacturing and trading unitsand they are bent to the requirements of welfare state.
2. Appointed officials issue rules and regulations that influence the behavior of the media, advertisers, agencies directly and consumers indirectly.
3. The Courts of Law:- District, High and Supreme establish the rules of behavior that will have bearing on the industry through the cases of individuals and organizations

Typology of Shoppers

Not all shoppers are of same type. They differ on the basis of shopping behavior, shopping needs and attitude to shopping. Some of the social scientists have classified the shoppers in following categories.Stone G. p.10 (1954) has classified Women Department Store Shoppers into:

- (a) Economic who would evaluate-the store on its offerings interms of merchandise and prices.
- (b) Personalizing who would develop relations with the salespersons.
- (c) (c)Ethical who shopped to help the 'little guy'.
- (d) Apathetic who showed lack of interest in shopping.

INTEREST IN ADVERTISEMENT AND ATTITUDE TOWARDS ETHICAL ISSUES

Most of the respondents go through advertisements in print media as well as electronic media. However their interest varies according to need and personal linking. Food products, domestic appliances, cosmetics, entertainment related advertisements items attract female consumers in greater proportion rather than the male consumers. Male consumers have relatively more interest in advertisement related to Cold drinks, Vehicle, Medical and Health advertisements. Assorted advertisements published in Newspapers and magazines as shown in Appendix I reinforces the fact that more and more consumer goods are publicized through Print media. Newspapers and Magazines carry lot of information about the consumer goods through advertisements. These advertisements provide vital information to the consumers and ultimately influence their decision making about the purchase of consumer goods. When there is need of particular items the female consumers (38.75 percent) observe more carefully the advertisements than the male consumers. Inquiring into the effect of advertisements on the purchase of consumer goods more female has admitted that they are often affected by advertisement in the purchase of consumer goods. Similarly more female consumers have stated that advertisements possess utility value in the selection and purchase of consumer goods. The utility lies in the advance information about schemes, rebates, and incentives regarding purchase of consumer goods. Some of the respondents have admitted that advertisements provide knowledge about manufacturer, distribution network, comparative evaluation and sufficient information about quality of product.

Respondents are of the opinion that there is discrepancy in the quality of the advertised goods and the actual quality when the goods are practically used. If there is no satisfaction then most of the respondents could not purchase the goods in future. However some of them may go in consumer court and lodge complaints against the supplier / manufacturer of particular consumer goods.

Though advertisement is not liked by the most of the consumer because of its vulgarity and commercial use of female body yet there are some respondents who appreciate gender advertisement. They condemn such advertisement because it spreads vulgarity, makes women a commodity and has a bad effect on younger generation. The fact that women as sex object are displayed more and more to promote the consumer goods. Such visual figures attract the attention of the readers / consumers, no doubt, yet they impair the moral fabric of the society.

Use of religion and culture symbols, according to 22.75 percent respondents, is very effective. However, majority of them think it is not so effective (58.50 percent). Respondents agree that advertisement leads to cut-throat competition, adds to the cost of product and the ultimate analysis the advertisement is exploitative. Examining the positive role of advertisement 50.75 percent respondents agree that the advertisement increases the circulation of products in the market. It is beneficial both to the manufacture and to the consumers.

Assessing the place of advertisement in the larger society more than half of the consumers agree that advertisement is malice of capitalist society and peculates the evils of consumer's society. There are 63.75 percent respondents who agree that the advertisement proclaims the supremacy of 'Privatization'.

ADVERTISING AGENCIES IN THE STUDY

One of the integral parts of the study is 'Advertising Agencies'. In contemporary consumer society advertising agencies mediate between the consumer and manufacturer / distributor of the consumer product. In fact advertising agencies have attained the vital role in the sale of marketing of the product. Not only vital information about the product is given by the advertising agencies to the consumers but also the need and the attraction for particular product are generated for the possible customers. The present study, therefore, in the context of Varanasi tries to explore the relevance of advertising agencies in the sale and marketing of the consumer's product.

In Varanasi there are Eleven Advertising agencies which are operational. These are : Advertising Lab, Nadesar, Varanasi (2003), Baba Advertising, Mamhmoorganj, Varanasi (1998), Cliff Advertising, Chetganj, Varanasi (1998), Kashi advertising, SiddhagiriBagh, Varanasi (1978), Media Theme Research Center, kaivalyadham Colony, Varanasi (1997), Marwah Advertising, Lahurabeer, Varanasi (1980), Publicity Center, Godaulia, Varanasi (1980), R..K.Advertisers, Varunapul, Varanasi (1998), Rama Advertising Services, Durgakund, Varanasi (1986), Universal Advertising, Ramkatora, Varanasi (1986) and Uma Advertising, Ordely Bazar, Varanasi (1994). Through these agencies and the agencies located out of Varanasi the consumer products are being advertised through Print media and Electronic media. In addition to these the agencies provide glowshine banner; Flags, Wall-writing, construction of mannequins, Air Balloons, Hoardings, Preparation of models and modus etc. These agencies also contribute to the development of the themes, message for their customers. Information about a type of consumers for advertising agencies suggest that educational institutions, businessmen, shopkeeper, corporate house, distributors, movie houses, distributors, movie houses, entertainment office, hotel – restaurant and interested individuals or customers are the main recipients of the benefits of the advertising agencies. These agencies take service charges for the different types of services provided by these customers. In addition they get commission from the advertising agents and charges from the particular type of preparatory jobs from the particular advertisements.

Epilogue

The present study has shown considerably well that advertising has made a dent in the consumer market. More and more domestic goods, food-stuff, entertainment materials are being dump into the market with a much planned advertisement technique. The manufacturers know it very well that their products could not make impression on the consumer without sufficient advertisement. The consumers also think that there is abundance of consumer items in the market with rapidly changing intrinsic values and creates a problem to the consumers what to choose and what not to choose. Earlier the purchase center was localized in the neighborhood and the consumer used to buy what was available in the neighborhood shops/market. Now the whole city has numerous markets ranging from single commodity market and spread to Super Bazar and I.P. Mall. In these big markets, not only different commodities are available at one place but the variety of goods and the quantum of consumer items in these markets are abundant. Now a consumer good could reach to the home based consumers through proper advertisement technique. Therefore the whole of electronic media and the print media are replete with

variety of advertisements relating to consumers goods. Here in lies the importance. The advertising agencies have become an integral part of the consumer market. More and more goods are being thrown in the market with a cleverly designed advertisement policies and techniques.

ADVERTISEMENT AND WIDER SOCIETY

Outside the circle of gross root consumer, advertisement has wider ramifications and implications for the old society. Enquiring into this aspect it has been found 52.5 percent respondents agree with the view that advertisement is the malaise of the capitalist society. There are 51.5 percent respondents who believe that advertisement percolates the evils of consumer society to the gross-root level. There are 38.5 percent respondents who consider that advertisement makes materialism as essential. There are 35.50 percent respondents who believe that advertisement is global myth.

Table-1: Advertisement and wider Society

| Statement | Agreement with the statement | | | |
|--|------------------------------|----------------|---------------|-----------------|
| | Agree | Disagree | I cannot say | Total |
| Advertisement is the malaise of the capitalist society | 105 (52.5) | 75 (37.5) | 20 (10.00) | 200 (100.00) |
| Advertisement percolates the evils of consumer society | 103 (51.5) | 80 (40.00) | 17 (08.5) | 200 (100.00) |
| Advertisement makes materialism as essential | 77 (38.5) | 104 (52.00) | 19 (09.5) | 200 (100.00) |
| Advertisement is global myth | 71 (35.50) | 109 (54.5) | 20 (10) | 200 (100.00) |

ADVERTISEMENT AND PRIVATIZATION

Following table contains data regarding the role of advertisement in promoting privatization. Ultimately it is the private industrial houses / commercial establishment, which uses commercial advertisement to increases their profit and consolidate their power in the market. In the sample 63.75 percent respondents state that the process of privatization has received strength from commercial advertisement. More male (33.75 percent) than female (30.00 percent) agree on this account.

Table-2: Advertisement proclaims the supremacy of privatization

| Sex of the respondents | Privatization | | | |
|------------------------|----------------|---------------|---------------|-----------------|
| | Yes | NO | I cannot say | Total |
| Male | 135 (33.75) | 40 (10.00) | 25 (06.25) | 100 (50.00) |
| Female | 120 (30.00) | 40 (10.00) | 40 (10.00) | 100 (50.00) |
| Total | 255 (63.75) | 80 (20.00) | 65 (16.25) | 200 (100.00) |

SUGGESTION

Some of the vulnerable areas of advertisement sale promotion and marketing of consumer goods should be put under close surveillance and constructive action programme. The possible thrust areas are as follow:-

1. Consumer awareness programme through N.G.O.'s, voluntary agencies and self- help groups should be carried out at the local level. More and more consumers at the ground level should be trained to select and buy the consumer items.
2. The legal and administrative machinery should be improved to protect the interest of the consumers. The formation of Consumer's Forum to redress the grievances of the consumer should be streamlined and the relief to the consumers should reach to the customers as early as possible.
3. The interest of the advertising agencies which suffer through the exploitative tendencies of the manufacturer/ distributors and with the administrative slackness in this regard should also be looked into and proper alleviating measures should be devised and implemented.

CONCLUSION

The paper dealt with the importance of advertisement to different parties and consumer's interest in advertisement and their Attitude towards Ethical Issues in the holy city of Varanasi. The study is based on one hundred males and one hundred female respondents Majority of the respondents are middle aged between 36-50

years old. Most of them possess graduate / post graduate and professional educational qualification. The educational qualification of the male consumers has been found higher than the female consumers. Most of the respondents belong to middle income group of Rs. 12501-22500. The respondents both male and female are having occupational status. Media participation and social awareness of the respondents have been found quite satisfactory. Around 40 percent male and 30 percent female consumers read newspapers daily. However reading of magazines has not been found so regular. Most of the consumers read Hindi magazines for entertainment and that too sometimes. However both in the newspaper and in the magazine they encounter number of consumer advertisements.

The respondents pay attention mostly on foods products, domestic appliances, cosmetics, cold drinks, entertainment, vehicles etc. They feel that when there are individual needs to buy some consumer items, they pay more close attention to the advertised goods otherwise they watch it casually. There are 1/4 of the respondents who have confirmed effect of advertisement on their personal purchase of goods. They get information about the distributors, quality of goods and sometimes even about the price of the product. This information makes the process of selection and purchase of goods rather easy. Moreover the advertisements enable the comparative evaluation of the goods easy. Sometimes they have great satisfaction with the purchase of advertised goods but most of the other times full satisfaction does not occur. Being dissatisfied some of them lodged complain against the supplier / manufacturer. A few of them have gone to the extent of lodging case in the consumer court. Consumers spent not much time in going through the advertisement.

The commercial enterprise is the main fact of the advertisement but it is not the brute logic of profit operates in the arena rather it is governed by certain advertisement ethics. Most of the respondents condemn the vulgarization of female body in the advertisement. They consider that those who sell gender for promoting their products they in fact pollute the moral fabric of the society. The respondents also feel that use of religious / cultural symbols in the advertisement is effective to some extent in promoting particular products but such promotional tactics is not good for the most of the products. The respondents are quite aware of the negative consequences of advertisements. They believe that advertisements add to the cost of product. It leads to cut throat competition, exploration, and wastage of resources and waste a time of the consumer. For the positive role of the advertisement, most of the respondents agree that advertisement informs the consumers, highlights the quality of products and increase the area of market.

In wider perspective advertisement has been considered as the malice of the capitalist society and it proclaims the supremacy of advertising. As well as advertisements have become the integral part of the consumer society and the consumers at the bottom level, through have interest in advertisement yet they are fully aware of its positive as well as negative effects on the society

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ACCESSIBILITY OF OLA AND UBER CAB SERVICES USING MOBILE APP AMONG CUSTOMERS IN BANGALORE

T. Somasundaram and Steffi JoanAssistant Professor, Department of Management, Kristu Jayanti College (Autonomous), Bengaluru

ABSTRACT

Few years ago, most of the people are highly dependent on the Public Transport services and the most important source of Public Transport Services are the Taxis which are used by lakhs of people every day to commute to their workplace, shopping with their family, visit some places for holidays and it goes on. The main purpose of this study is to know the accessibility of OLA and UBER Cab services using mobile app among customers in Bangalore. It provide suggestion to overcome the certain problem in the app based cab services according to the location by providing optimum solutions The researcher used descriptive research and involves survey and fact finding enquiries of different kinds and the data are collected from respondents through structured questionnaire. This study reveals about the accessibility of app based cab services among the customers, certain factors like price, availability, comfort, safety and payment options are given importance in selection of cab service.

Keywords: Cab Service, Ola cabs, Mobile Apps, Uber cabs, Transportation, cab accessibility and app based cab services.

INTRODUCTION

India is a developing country and with this development, the life style of the people has been changed a lot in order to fulfill their needs and wants. Few years ago, most of the people are highly dependent on the Public Transport services and the most important source of Public Transport Services are the Taxis which are used by lakhs of people every day to commute to their workplace, shopping with their family, visit some places for holidays and it goes on.

With technology being on the rise commuters found it very convenient to book a cab online rather than spending a lot of time waiting for the transport to help them reach their destinations. Many a time's commuters were rejected to go to certain places and most of the time the options were left to the transport provider's whether to drop off or not. But now the technology has helped them to eradicate these problems and thereby allowing to them to access cabs anytime and anywhere. It was cumbersome to get a cab services for a shorter distance within a particular city or some particular place. Due to the development of technology in recent days, booking a cab services by using mobile app has totally transposed the situation in India.

STATEMENT OF THE PROBLEM

In the present study, the researcher explored the current scenario of cab services in Bangalore and to study about the accessibility of cab services based on various variables like technology, safety, comfort, price fluctuations and payment options. This study is motivated to redress the problem of accessibility of cab services through mobile app. There are several factors that influence the cab services to attract the customers. The main purpose of this study is to know the various factors that emphasize the accessibility of cab services through mobile app among the customers in Bangalore.

OBJECTIVES OF THE STUDY**Primary Objective**

- To study about the accessibility of OLA and UBER Cab services using mobile app among customers in Bangalore.

Secondary Objective

- To analyze various problems faced by customers during accessibility of app based cab services (Ola and Uber) in peak hours.
- To identify which factor influence mostly on customers for accessing the app based cab services.

SCOPE OF THE STUDY

The present study is confined to certain factors like availability, price, comfort, payment options, etc. which attracts the certain areas of customers in Bangalore only and it does not have total reflection of whole population. This study can provide suggestion to overcome the certain problem in the app based cab services according to the location by providing optimum solutions.

LIMITATIONS OF THE STUDY

- Some of the respondents may not be truthful in providing information.
- Few respondents are unaware about certain factors in app based cab services.
- As the sample size is small and it is restricted to certain area in Bangalore only.

LITERATURE REVIEW

Ola and Uber cab services based on ridesharing concept and it has major success in shared economy. Mobile app based cab services are a platform to assign available cab on rider's demand through mapping and location sharing technology.

Ola and Uber operates in an transport sector, in order to optimize their costs at all levels, more customer – centric & target oriented, innovative and above all keep delighting their customers as king. (Shukla et. Al, 2017). Cab services has a tremendous potential for growth in transport needs, as the city faces parking problems and many customers prefer to take a cab services for various purpose like visiting shopping mall, special occasion and attend party. (Hanif & Sagar, 2016). In order to overcome those obstacles, cab service companies should need to motivate the customers through different facilities like coupons, price discounts, Wi-Fi, other facilities, etc. to retain the customers. (Kumar & Kumar 2016).

Every cab companies should realize about the latest technology which plays very important role in mobile phones as people love using smartphones as they use it for booking a cabs. (Rafi Mohammed, 2015). Technology has played a greater role in demand and supply in cab services, in which Ola nd Uber have penetrated the Indian cab service market using smart phone technology. Change in the customer's mindset is the greatest factor in the growth of cab services and sometimes there are certain factors like high fares, unavailability of cab services in complex situation, etc. are the obstacles in the cab services sector. (Venkatesh & Easaw, 2015). Some of the variables like comfort, service, affordability and reliability have impact on customer service with regard to app based cab services. (Horsu and Yeboah, 2015).

Self – service mobile technologies helps the people to access a lot of data about cab services and its adaption has impact on perceived usefulness, perceived use of ease and subjective norms. (Peng, wang, He, Guo & Lin, 2014). Mobile apps help both the drivers and passengers to find each other. In the recent years, cab services through mobile app is growing constantly especially in the metropolitan cities in India (Rahman, 2014). Mobile app based cab services are more popular and created huge demand with the help of latest technology in the cab industry. The primary factors like accessibility, reliability and transparency have attracted the customers towards cab services. (Vaithianathan & Bolar, 2013).

A cab service plays a vital role as a transportation alternative in all parts of world. The demand of cab services is highly heterogeneous and differs in developed and developing countries. But in unregulated markets, there will be oversupply of services, high competition, low fares and low incomes and creates some consequences for cab operators (Lowitt, 2006).

Conceptual Model

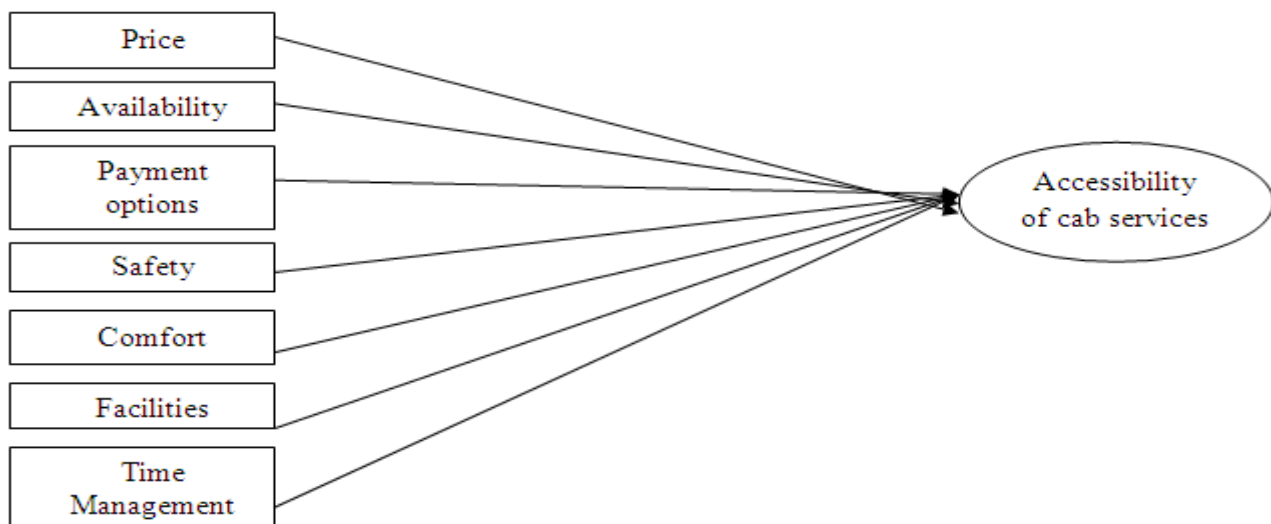


Figure No-1: Conceptual Model showing possible linkage between different factors like price, availability, payment options, etc. and accessibility of cab services.

Table No-1: Ola Vs Uber

| Items | Ola cabs | Uber |
|----------------------------|---|-------------------------------|
| Overview: | | |
| Founding Year | 2010 | 2013 |
| Total Funds raised | \$26M (Estimated) | \$1.5B (Estimated) |
| Funding rounds | 3 | 6 |
| Founding Team | 2 | 2 |
| Employees (range) | 201 – 500 | 1001 – 5000 |
| Services: | | |
| Fleet Size | 9500 + (Rented) | Not available |
| Cities listed | 9 | 5 (In India) |
| Mobile Applications | Android, Microsoft & i Phone. | Android, Microsoft & i Phone. |
| Segmented Served: | | |
| Sector | City Taxi, Outstation & Local Rentals. | City Taxi |
| Fleet Variation | Luxury, Sedan & Hatchback | Luxury & Sedan |
| Innovations: | | |
| Unique Selling Proposition | Huge fleet of Ola Mini with fare @ Rs.13 per KM | On demand Cab availability |
| Mobile Application Ranking | 5 th | 1 st |

| Other items: | Ola | Uber |
|------------------------------|------------------|---------------|
| No. of customers globally | 125 million | 480 million |
| No. of rides given annually | 1 billion | 2 billion |
| Average no. of rides per day | 15 million rides | Not available |
| No. of cities available | 110 cities | 674 cities |
| India ride share market | 80% | 84% |
| No. of Ola wallet users | 40 million | Not available |

Source: Success Story of a Start-up – A Case Study of OLA cabs, IOSR Journal of Business and Management (IOSR-JBM), Vol.20, Issue 2, February 2018 & www.olacabs.com & www.uber.com

Table No-2: Top 5 Ride – Hailing Mobile Apps among Android users in India

| Cab services | Percentage |
|--------------|------------|
| Ola Cabs | 5.75% |
| Uber | 4.82% |
| Jugnoo | 0.15% |
| Ola Operator | 0.07% |
| Ixigo Cabs | 0.05% |

Source: Ranked by Reach, July 24 – 30, 2017, Cheetah Lab, Aug 11, 2017.

RESEARCH METHODOLOGY

Research Design

The research design indicates the type of research methodology under taken to collect the information for the study. The researcher used descriptive research and involves survey and fact finding enquiries of different kinds. The data was collected from the customers in Bangalore.

Area of Study

The area of the study is confined to the customers those who are using app based cab services in Bangalore only.

Questionnaire Design

The questionnaire framed for the research study is a structured questionnaire in which the questions are predetermined before conducting the survey. The form of question is framed by using dichotomous scale and various point scales.

Data Collection method

Data is collected from the respondents through structured questionnaire.

Sample Method and Sample Size

The total sample size taken for present study is 64 and sample method used is convenient sample method.

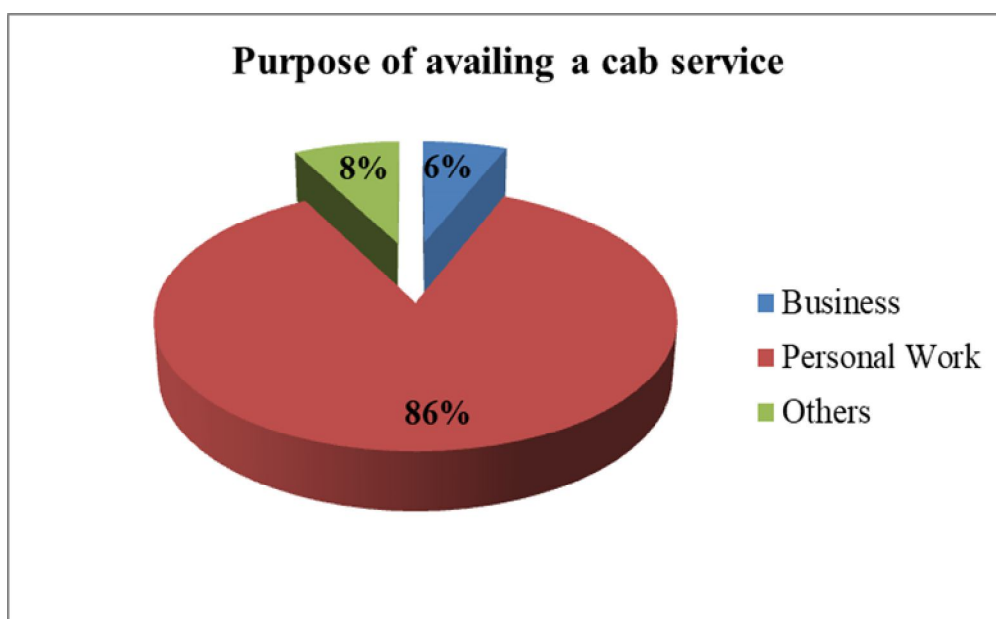
DATA ANALYSIS AND INTERPRETATION

Table No: 3 Profile of Respondents

| Gender | No. of Respondents | Percentage |
|------------------------|---------------------------|-------------------|
| Male | 28 | 44 |
| Female | 36 | 56 |
| Total | 64 | 100 |
| Age | | |
| Below 25 years | 31 | 48 |
| 26 – 35 years | 27 | 42 |
| 36 – 45 years | 03 | 05 |
| Above 45 years | 03 | 05 |
| Total | 64 | 100 |
| Education Level | | |
| Post graduate | 35 | 55 |
| Graduate | 23 | 36 |
| High school | 04 | 6 |
| Uneducated | 02 | 3 |
| Total | 64 | 100 |
| Employment | | |
| Employed | 33 | 51 |
| Own business | 00 | 00 |
| Home maker | 07 | 11 |
| Student | 24 | 38 |
| Total | 64 | 100 |
| Income Level | | |
| Rs.15000 – Rs.25000 | 01 | 01 |
| Rs.25001 – Rs.30000 | 00 | 00 |
| Rs.30001 – Rs.35000 | 04 | 06 |
| Above Rs.35000 | 35 | 55 |
| Other Sources | 24 | 38 |
| Total | 64 | 100 |

Source: Primary Data

MAJOR FINDINGS



A sizeable majority (86%) of the users are using a app based cab service for their personal work. In fact, the number of users increases progressively based on the additional facilities provided by the cab services in order to meet the customer personal needs.

CHI – SQUARE TEST**Accessibility of cab services during the peak hours**

| | Value | df | Asymp. Sig. (2-sided) |
|--------------------|-------------------|----|-----------------------|
| Pearson Chi-Square | .062 ^a | 1 | .803 |

H₀: Customers cannot able to book the cab services during peak hours.

H₁: Customers are able to book the cab services during peak hours.

Inference: It is found from the above table that the Null hypothesis H₀ is accepted since the significance value (0.803) is greater than 0.05. This means that the customers cannot able to book the cab services during peak hours due to various reasons like unavailability of cab (45%), high price (37%), app doesn't work (5%), denial of services by drivers (34%), traffic (7%) and prolonged time (15%).

REGRESSION

| Model Summary | | | | | |
|--|-------------------|----------|-------------------|----------------------------|---------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | F |
| 1 | .843 ^a | .735 | .732 | .347 | 273.294 |
| a. Predictors: (Constant), Accessibility of app based cab services | | | | | |
| Sig. | | | | | |
| | | | | | .000 |

Inference: From the output table, it was observed that accessibility of cab services is dependent variable and factors like availability, price, safety, payment options, comfort, Wi-Fi is an independent variable. The overall model explains about 73% (R value – 0.735) by predicting independent variable. F Statistics shows higher value which means the model is fit for further interpretation. The significance value is 0.000 which is less than 0.05 at 5% significance level and it indicates the independent variable has positive and significant impact on dependent variable.

FINDINGS

- Most (58%) of the customers are using both Ola and Uber cab services based on their own interest.
- Majority (86%) of the customers are availing an app based cab services for their personal work.
- Most (68%) of the customers are benefited by getting additional services like Wi-Fi and entertainment during their trip.
- Majority of the customers are facing a difficulty in getting the app based cab services based on various problems like unavailability of cab (45%), high price (37%), app doesn't work (5%), denial of services by drivers (34%), traffic (7%) and prolonged time (15%).
- The major reasons for giving complaints against cab services are cancellation charges, over charges and denial of services for long distance.

RECOMMENDATIONS

The following recommendations are given to consider for further improvement in the cab services for the customer.

- Most of the customers are expecting additional cab services in certain location during peak hours in order to extend the service.
- Due to variation in price level during peak hours, the cab services can provide concession rate to the customer based on certain criteria.
- Cab services should take necessary steps to analyze the various complaints given by the customers in order to retain them.
- It is suggested that initiating the new techniques in cab services will benefit the customers to maximum level.

CONCLUSION

Cab service has a tremendous potential growth in transport sector and it is even needed of middle class and affluent class. They should focus on promotion and coupon redemption and price which have less influence on customer to access the cab services. Through this study, they can implement marketing strategies in order to sustain their business in the transportation sector. This study reveals about the accessibility of app based cab

services among the customers, certain factors like price, availability, comfort, safety and payment options are given importance in selection of cab service. This will also help the service providers to fulfill the customer expectation to maintain goodwill and develop a brand image in the market.

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THE IMPACT OF INCREASING NUMBER OF COMMERCE GRADUATES IN BANGALORE

Caroline Swetha and Dechen Dolma
Student, Mount Carmel College, Bengaluru

ABSTRACT

There are two perspectives in an organisation when a new employee is being recruited. One is the organisations perspective whereas the other is the employee's perspective. The organisation needs to hire the best talent and the employee wants to get the best job with a competitive pay scale. Global business practices have evolved or changed in the commerce field. Hence our research paper is titled to know the impact the increased number of commerce graduates has in Bangalore city. Compared to the last decade the number of commerce graduates in Bangalore have increased considerably. In such a scenario we need to analyse if the needs of both the employer and employee are met or not. We have taken a case study which was done by India Today titled "93 per cent MBA graduates are unemployable: Problems with management education in India to study the employees' perspective" Here in this paper coming on to the detailed study we have explained the perspective of both employer and an employee in an organisation in such a manner that it not only helps employees but also the overall development of the organisation, where findings and suggestions is being done through conducting a survey among commerce students who apply for placement and who have prior experience and internships. We have also conducted the same survey among commerce graduates who have worked in the past or are yet to work in order to get a wide perspective on the same subject matter.

Keywords: Employees, Employer, Perspective, Impact, Commerce

INTRODUCTION

Impact refers to the consequence or the effect on a particular thing or person or organisation, etc. It can either be a positive effect or a negative effect or a neutral effect. In other words, impact helps us in identifying the type of effect it had on a specific activity or event in general.

Commerce graduates are those students who have completed their specialization or degree in either B. Com (Bachelor of Commerce specialized in Finance, Human resource, marketing, accounts, tax, etc.), B.Com (General), BBM (Bachelor of Business Management), BBA (Bachelor of Business Administration), etc. It also includes the persons who are pursuing their post graduate programmes in either Master of Commerce (general, international business, finance and accounts, etc), Master of Business Administration, Master of Financial Analysis, etc.

The impact of increasing number of commerce graduates in Bangalore emphasises the effect that the increasing number of commerce graduates have on the employers and employees. This paper concentrates on both these perspectives and also the impact if it is positive or negative. The employees work for the well-being of the organisation and the employers need to cater to their needs. But we need to know if the attitude of the employer remains the same in this 21st century where the number of commerce graduates are increasing day by day in Bangalore. Also we need to analyse if the students are getting much from their education which they have acquired. Hence both the perspectives are taken into consideration.

STATEMENT OF PROBLEM

There are people who are specialized in the field of commerce and management but due to the over number of commerce graduates they are not getting their proper field of their needs. In this case people are stressing on impact that has to face challenges and question marks on their specialized field to fight for their place and position. They are forced to do jobs they don't like because they don't have another choice. Also we need to identify what are the skills that every commerce graduate needs to possess. Due to more number of skills there is an impact on the organisation to hire people with efficient skills. The more number of unskilled commerce graduates can affect the hiring process. Some may get the job while the others may not. Also we need to analyze the employer whether he is going to retain the employees or terminate them in the short run and long run.

OBJECTIVES

- To analyze if the commerce graduates are prepared to face corporate life on being hired immediately after their education.
- To identify the skills that employers expect from fresh commerce graduates.
- To know the impact of the commerce employees regarding the lack of employment opportunities

LIMITATIONS OF THE STUDY

- In the present study for the sample size is been taken only on Bangalore city commerce graduates
- Current students, interns, past employees and present employees majorly from Mount Carmel College were taken as sample for the study
- We have not taken the perspectives of managers and employers.

METHODOLOGY**Sample**

The sample for the concerned study is drawn from current commerce students and also employees from commerce background in the past, current employees and interns as well.

Research Instrument

A structured questionnaire is used to collect the relevant data to capture the perception of commerce students and employees who are or were working in the commerce background in various companies.

Source of Data

The primary data was collected from commerce students present and past employees and also interns in commerce field who had worked and who are working in the organization and the secondary data was collected from various online sites and blogs.

PLAN OF ANALYSIS

Percentage Analysis and pie charts are used for interpreting the data.

REVIEW OF LITERATURE

The Report of the Special Committee for Commerce Education (1961)¹² narrates the story of the growth of Commerce Education in India. According to it, Commerce Education in India began in the year 1886 when a commercial school was established in Madras by the Trustees of Pachiapp's Charities. Examinations in Commerce were conducted by the then Madras Government by about the same time. A School of Commerce was established in Calicut (Kerala) in 1895 by the Government of India. Commerce classes were started in the Presidency College, Calcutta, in 1903 which later became the Government Commercial Institute. Between 1903 and 1912, a number of commercial institutions came into existence in Bombay and Delhi providing for skill formation in type-writing, shorthand and business methods. Commerce Education at the university level started only in 1913 with the establishment of Sydenham College of Commerce and Economics in Bombay. This college provided a strong foundation for the growth of the Faculty by training the graduates appearing for Government Diploma in Accountancy (GDA) examination. This provided the professional status to Commerce Education.

Business needs people who are —successfully intelligent (Oblinger & Verville, 1998). Sternberg (1996) contends that successfully intelligent people think well in three different ways, analytically, creativity, and practically. Business is changing, as business changes, what it needs from employees is change. Most of all, Leaders are required to anticipate and lead change. Graduate of higher education will need to be flexible, adaptable, and in possession of a mix of broad education and specific skills

Many industries and large organization are dismissing employees who hold MBA's or replacing them with technical people who do not necessarily have 87 an MBA degree (Yucelt, 1998). Yucelt contends that part of the blame lies with business schools for choosing to teach what they want instead of what business firms need. Therefore, Business schools are facing the toughest challenge regarding increased tuition, program content, and quality and teaching skills (Yucelt, 1998).

CASE STUDY: 93 PER CENT MBA GRADUATES ARE UNEMPLOYABLE: PROBLEMS WITH MANAGEMENT EDUCATION IN INDIA

Amidst the tens of thousands of management graduates churned out by the 5,500 B-schools in the country, only 7 per cent turn out to be employable, says a study conducted by ASSOCHAM. India Today delved into the causes behind such a dismal picture.

MBA graduates are spending lakhs of rupees on their management education, but after graduating, most of them are earning a measly 8000 to 10,000 rupees per month—that too, only when they are able to find placements.

Campus recruitments have gone down by a whopping 45 per cent, thanks to the economic slowdown from 2014 to 2016 and the low education quality. As a result, 220 B-schools have already shut down in top cities such as Delhi-NCR, Bangalore, Mumbai, Kolkata, Lucknow etc. Around 120 more B-schools are slated to meet the same fate, this year.

Lack of skill based education

Skill based education is somewhat lacking in all the higher education fields in India and management is no different. The focus of B-schools need to shift from theoretical knowledge to skill based education with a more practical and dynamic approach.

"Management education emphasizes on pedagogies like using case studies etc. instead of imparting the practical expertise attained from years of experience in the domain," says Dholakia.

"Management institutes, not following current contextual mix of innovative pedagogical tools, create an immense disparity between the real and academic culture of business management," he adds.

Dr Dholakia suggests the following ways by which smaller B-schools can upgrade their quality of education

1. Faculty development
2. Upgradation of infrastructure
3. Benchmarking and rankings
4. For low tier B-schools, focus should be on regional and local markets

The Tier-II and Tier-III business schools have the largest catchment of students coming from their own district or neighboring districts and hence, a complete overhaul of the structure of such business school needs to be done to cater to the needs of these SMEs which might have the potential to become large enterprises in the future.

Need for having skill based commerce education

- Helps in problem solving process
- Enables critical thinking abilities
- It develops the intellectual skills for improving the capabilities of analysing and interpretation according to their respective interest.
- Helps in sound decision making related to the particular job or task
- It will help in facing the challenging competitive era among commerce companies.

PROBLEMS DUE TO THE INCREASING NUMBER OF COMMERCE GRADUATES IN BANGALORE**Improper distribution of work**

With the introduction of Goods and Services Tax(GST) the number of employment opportunities has increased in the field of tax for commerce graduates specialized in taxes but the students specialized in Human Resource or marketing cannot take up this as many employers look up for tax or accounts specialization. Hence the distribution of work is not satisfactory for all commerce graduates who are seeking jobs.

The existing employees face competition from new and upcoming technological advances

It has been predicted that artificial intelligence might soon take over accounting and auditing firms in the next couple of years and if this is the case many people are going to lose their jobs.

Inadequate coordination between skills possessed and Knowledge

Giving importance only to the commerce graduates doesn't improve the employment opportunity and the growth of the organisation. It needs to have a coordination between the skills and the knowledge to socialize the organisation and country's benefits.

It is not activity based

The problem is not only about the increasing number of commerce graduates the more activity or academics they have it will emphasize on the importance of changing the employability and country notions of bringing up lots of knowledgeable impact on individuals.

IMPORTANCE OF EFFECTIVE WORK DISTRIBUTION BASED ON DESIGNATION AND SKILLS OF COMMERCE CANDIDATES IN AN ORGANISATION

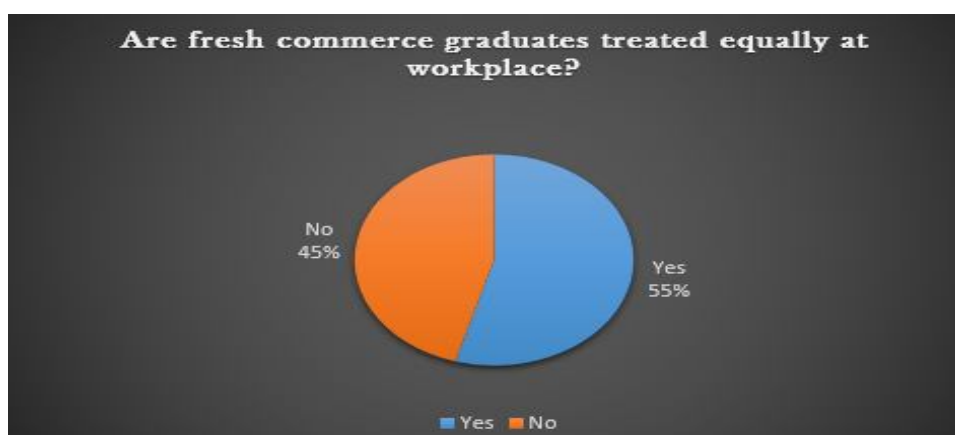
- The new skills can be gained easily and effectively
- Able to meet targets in a timely manner
- The level of trust and honesty in work-related matters increases as there is transparency
- The errors are reduced as the person is doing his job well.

- As the stress is well managed the friendliness among peers and colleague's increases
- The communication gap is eliminated
- The employees become more responsible
- Taking the risk and challenge their creativity for their designated responsibilities
- Restoring of the organisation faith and barriers to eliminate the issues of problem solving
- Ethics and honest towards their work
- Able to coordinate well in a team and manage team tasks efficiently

FINDINGS FROM THE STUDY

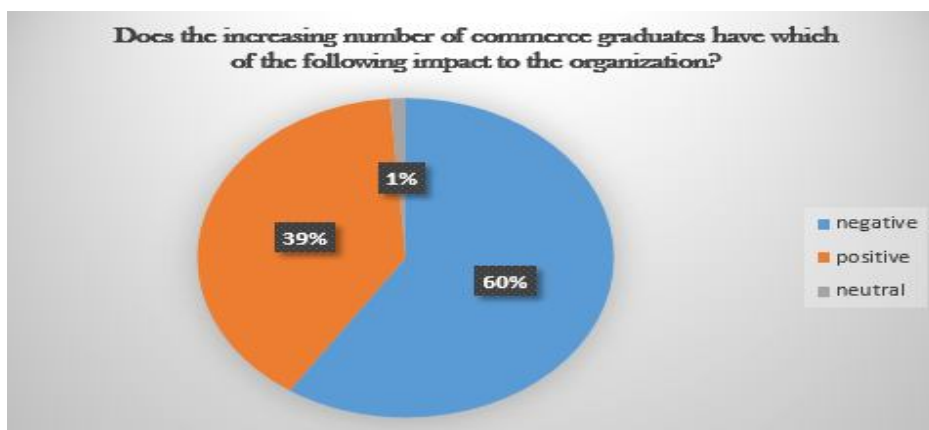
As the survey was conducted among the students who are preparing for their placements and also the employees working in multi-national companies. 75% respondents were students getting ready for placements 10% of respondents were students who did their internship in multinational company, 11% of the were working in their company for a period between 5-10 years. 2% of the respondents were working in their company for more than 2 years but less than 5 years. 2% of them were working in the company for less than 2 years

The impact of increasing number of commerce graduates in Bangalore



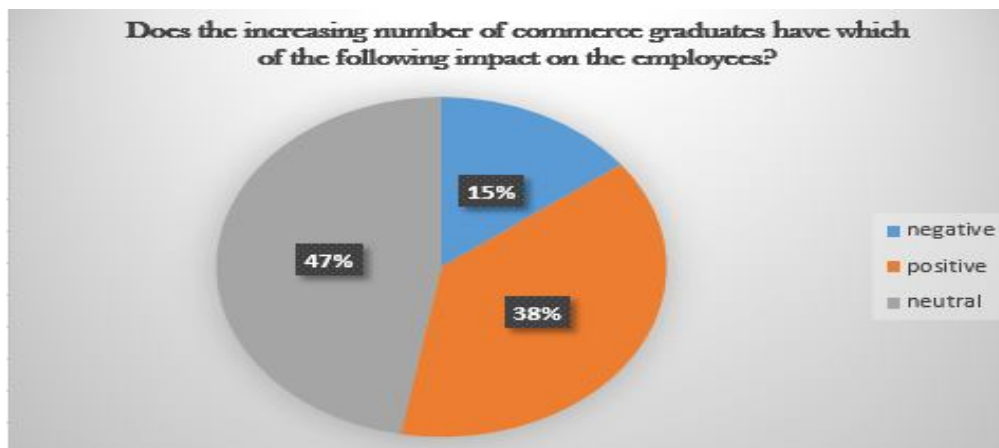
Source: Excel output

- 55% respondents feel that the fresher's (commerce graduates who have passed out and new to the job) are treated equally at workplace
- 45% of the respondents feel that the fresher's are not treated equally at workplace.



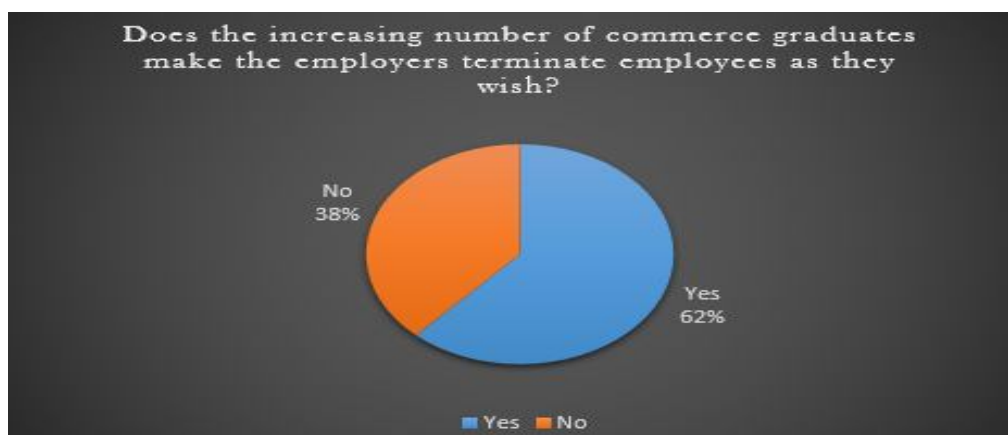
Source: Excel output

- 60% of the respondents feel that the increasing number of commerce graduates has a negative impact on the organisation.
- 39% of the respondents feel that the increasing number of commerce graduates has a positive impact on the organisation.
- 1% of the respondents feel that the increasing number of commerce graduates has a neutral impact on the organisation.

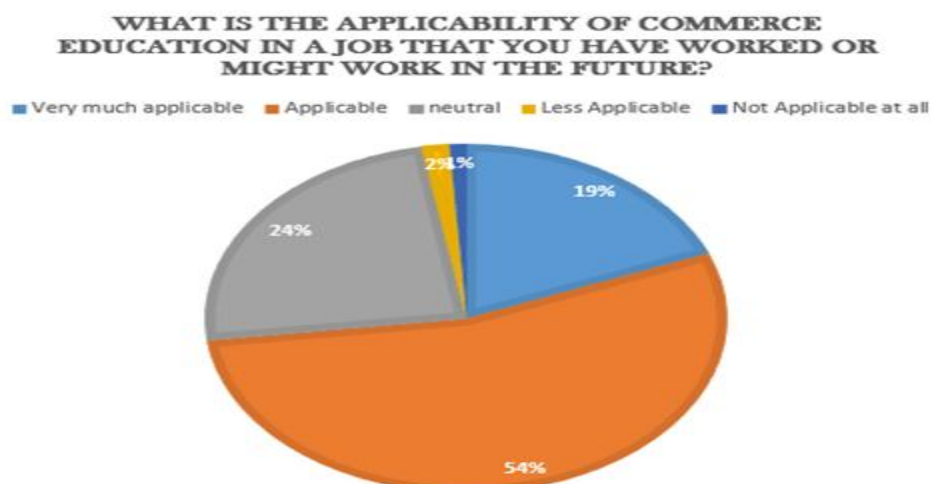


Source: Excel output

- 15% of the respondents feel that the increasing number of commerce graduates has a negative impact on the employees.
- 38% of the respondents feel that the increasing number of commerce graduates has a positive impact on the employees.
- 47% of the respondents feel that the increasing number of commerce graduates has a neutral impact on the employees



- 62% of the respondents feel that the increasing number of commerce graduates make the employers terminate employees as they wish.
- 38% of the respondents feel that the increasing number of commerce graduates does not make the employers terminate employees as they wish.



- 18.9% of the respondents felt that commerce education is very much applicable in the job that they have worked or might work in the future

- 54.1% of the respondents felt that commerce education is very much applicable in the job that they have worked or might work in the future
- 24.3% of the respondents felt that commerce education has a neutral effect in the job that they have worked or might work in the future
- 1.7% of the respondents felt that commerce education is less applicable in the job that they have worked or might work in the future
- 1% of the respondents felt that commerce education is not at all applicable in the job that they have worked or might work in the future

SUGGESTIONS

- **Rules need to be enforced to treat all employees equally irrespective of the fact whether they are freshers or experienced.** - There should be understanding among employees that is between the freshers and experienced. They should not be a gap in the opportunities provided for them to grow. There should be no discrimination. The freshly appointed commerce graduates should feel that they are treated in par among the experienced when it comes to taking holidays, work assigned, etc. Work also needs to be distributed accordingly. Not that every fresher should be overburdened with work. The work distribution should be such that not only the organization's needs are met but also the equal treatment of all employees.
- **Creation of more job opportunities with a basic minimum wage level for their sustenance-** Since the number of job opportunities are decreasing there arises a need to create more job opportunities so that there is a chance for everyone to grow. There are cases where existing employees are paid very high and that employee needs to do all the work by himself for many hours. Instead the work can be diversified and given to many employees with a basic minimum wage level rather than giving job opportunities to one particular individual with a high pay scale.
- **There should be balance in employee involvement so that they can make better decisions among themselves-** Employees need to communicate well and eliminate the communication gap so that they can make better decisions
- **There should be a policy for terminating employees-** Employers should take adequate measures before they can terminate an employee. Also a rule has to be enforced and followed. So that the employee also has an equal right to stay in the job. Employer should also aim at improving the employee and try to shift him to different departments before terminating him.
- **Commerce education needs to focus not only on education alone but also it should be skill based such that it helps in the overall development of the individual.** – Focus needs to be given to add more skills to the students in college who are pursuing commerce so that they do not feel pressurized later with target when they join either a tax firm, or an audit firm, or an accounts firm, etc. Also they should be trained to work under pressure or given knowledge about how to handle stress and pressure

ANALYSIS OF THE STUDY

From the above study we come to know what are the problems faced due to the increasing number of commerce graduates in Bangalore. Also these problems can be overcome if the appropriate measures are taken such as teaching employers to create a balanced job opportunity for all employees. An analysis needs to be done see where improvement is needed both in terms of overall development of every individual and also in fair treatment of all employees.

CONCLUSION

In order to become successful in maintaining the job in the long run and short run in any field in commerce the candidates need to improve their skills. Also they can take additional courses to increase their skills and help them work faster. This helps in the overall development of the individual. Also the employer can diversify the work so that all employees get a chance to work in the organisation rather than concentrating on few employees to do major tasks. Hence a balance needs to be maintained on both sides. This is possible only if adequate steps, policies, frameworks and rules come into picture. Also there is an essential need for job diversification. If the above things are kept in mind along with suggestions from both employer and employees point of view though the number of commerce graduates are increasing there will be no problem as the employees will also be happy with a proper salary level job so will the employers because they need not pay more to only few individuals.

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UNEMPLOYMENT AND ENTREPRENEURSHIP IN JAMMU AND KASHMIR

Syed Ainab QadriResearch Scholar, CMR University, Bangalore

ABSTRACT

Unemployment is one of the serious and depressing issues India is facing from a long time now. Extent of this problem has increased from past few years and there are huge inter-state variations regarding intensity of unemployment problem in India. Among all the northern states of the country, the state of Jammu and Kashmir figures out the highest rate of unemployment in northern region of the country. The state of J&K has been living under political armed conflict between two big nuclear powers of the world, Pakistan and India from years now over the territory of Kashmir, which is the underlying fact and broader reason for unemployed youth. The educated youth of the state is increasing at the speedy rate and as such providing a government job to everyone is not possible. Political uncertainty in J&K has remained continuous in general and almost three decade long armed conflict in particular has negatively impacted every aspect of socio-economic activity in Kashmir. Government has been taking necessary steps to promote entrepreneurship in all the important sectors of the economy of the state in order to resolve the problem of unemployment. Individuals and institutions promoting economic growth internationally and nationally see entrepreneurship as the possible solution in developing countries for unemployment as it could create employment and help to resolve the problem of unemployment from the grass root level. The current study has a purpose which is to bring light upon the level of increased unemployment, upcoming entrepreneurship in the state and steps taken by government to resolve this problem of unemployment in the state.

Keywords: Unemployment, Entrepreneurship, Growth, MSME, Opportunities, Government Efforts, Political Instability

INTRODUCTION

In any country, level of development considerably indicates the magnitude of employment because employment opportunities grow when country's production expands and makes progress. Every state has an individual role in development in order a country to develop. The state of J&K is most under developed state of the country. The state is rich in natural resources and its labour force. Unemployment is one of the serious and blazing issues nation is facing from a long time now. Its size has increased from past few years and there are broader inter-state variations regarding extent of this unemployment problem. And the state of Jammu and Kashmir figures out the highest rate of unemployment in the northern region of the country. According to Economic Survey Report-2016, the state of J&K figures out the highest rate of unemployment at the rate of 24.6% of population in the age of 18-29 years, which is far more than All India Unemployment rate of 13.2%. State's important goal should be reducing youth unemployment. Government has been taking necessary steps to promote entrepreneurship in all the important sectors of the economy of the state in order to resolve the problem of unemployment. Individuals and institutions promoting economic growth see entrepreneurship as the possible solution in developing countries for unemployment as it could create employment and help to resolve the problem of unemployment from the grass root level. In a country like India, where population and hence human resource is surplus, quality employment to absorb new entrants in the market is highly needed. Developing economies have a feature of low capita income and that feature is present in the state of J&K. The need for the entrepreneurship development in the state is of utmost importance and is initiated by the fact that entrepreneurship development is a major factor in promoting economic growth and development and hence reducing unemployment. Looking at the experiences of the developed countries in terms of role played by entrepreneurship shows the importance of entrepreneurship especially in developing economies. As unemployment has corrupted the whole state of J&K, in such case entrepreneurship is the "source of employment generation." According to Oxyengebo and Ezeano (2011), entrepreneurship performs various roles in business, society and overall development of a country. Extensive research has been made on the topic of how employment and entrepreneurship is related. Literature has showed that higher rate of unemployment may create entrepreneurial needs, resulting in start-ups and business ownerships and hence creating employment. With 12.13% of unemployment in the state, start-ups have evolved as an engine of self-employment. Recent studies have seen that unemployment rate is the reflection of situation in the labor market. There is a close relationship between unemployment and entrepreneurship (Prachowny, 1993). In developing countries like Bangladesh SMEs act as vital player for economic growth, poverty alleviation and rapid industrialization. MSME sector is labour intensive and can create more employment opportunities. It fosters the development of skill development and innovation. Along with poverty alleviation MSME sector can reduce the urban migration

and increased cash flow in rural areas. (Kashifa Ahmad and Tanbir Ahmad Choudry, 2009). Liberalization of small scale industries provides an opportunity to achieve a national goal of growth with equity and growth with efficiency. Regional disparities can be reduced by increasing living standard in backward areas. (Soundrapandian M., 2002). J&K being the place which is rich in human and natural resources that are untapped makes it a vital place for exploration and investments. Topographical and cultural advantage of the state provides youth with opportunities to create jobs in the sectors of agriculture and allied agriculture, tourism, manufacturing, handicrafts, forests, hydro-power.

As per census of 2011, work participation rate for J&K was estimated at 34.5% as against the All India figures of 39.8%. It can be seen in the census 2011 that the number of total workers in J&K stood at 43.23 lakh, out of which the main workers constitute 26.44 lakh (61.77%) and 16.79 lakhs (38.83%) constitutes the marginal workers. Out of the total work force, Female workers constituted 26.09%. The share of female in the Main workers is as small as 12.80% as against 47.02% in marginal workers category in J&K. Further classification of workers as per Census during 2011, shows that 28.8% of the total workers are cultivators, 12.7% are agricultural laborers and the remaining 58.5% are workers engaged in other activities including household industries. Work opportunities, however, have not kept pace with the increasing population. The problem of unemployment has gained more importance in State as unemployment among educated youth is at higher rate.

OBJECTIVES OF STUDY

- The purpose of my study is to throw light upon the level for increased unemployment in state of J&K.
- Steps taken by government to encourage entrepreneurship development in the state.
- How local entrepreneurship in the form of MSME sector is much possible solution for reducing unemployment in the state and the challenges faced by them.

METHODOLOGY

In present study data has been collected from all the available secondary sources like National sample survey organisation, Economic census Government of India, Digest of statistics; Directorate of Economics and Statistics; Government of J&K, MSME-DI Jammu and Economic Survey of J&K. In addition to this, data have also been collected from other reliable sources like articles, journals, websites and newspapers.

REVIEW OF LITERATURE

Mohandass S (2014) in his study revealed that Micro, Small and Medium enterprises provide most of the opportunities for both self-employment and jobs in non-agricultural sector.

(Audretsch and Fritsch, 1994) presented a study on start-ups of new firms in West Germany. Their study found that the rate of newly established firms is inversely related to the rate of unemployment. Thus, the newer firms that are established the lower is the unemployment rate.

Thurik et al (2008) studied the relation between rates of self-employment and unemployment using data from 23 countries that has been collected between the year 1974 and 2002. They noted what they referred to as the "refugee" effect where high unemployment rates lead to start-up of new companies and this leads to what is referred to as "entrepreneurial" effect which means unemployment decreases after a period of time.

Oladele et al (2011) attempted to study the relation between unemployment and entrepreneurship in Nigeria. They used a multiple regression model on this data to examine the need for promoting entrepreneurship in Nigeria. This study couldn't prove that entrepreneurship reduces unemployment. Yet, it strongly recommended that the government should encourage the establishing of new entrepreneurs in Nigeria. This while, (Kongolo 2010) concluded that small businesses play an important part in the economy of developed countries. In South Africa, 91% of the formal business entities, contributing to about 51 to 57% of GDP, generating about 60% of employment is small businesses.

Bhat and Malik (2014) have concluded in their study with-that industrial sector plays a vital role in economic development and generating employment in an economy. It was highlighted in the study that in India, after services sector, industrial sector contributes majorly to gross national product (GNP). For the output, employment generation, foreign exchange earnings in national income, development of Micro, Small and Medium (MSMEs) is important in J&K.

RESULTS AND DISCUSSION

Unemployment Scenario in J&K

Unemployment Scenario in J&K The number of unemployed youth has been increasing year on year in J&K due to limited job opportunities available for unemployed educated youth in the state. Unemployment is also

social issue of serious concern at the present, both at National as well as State levels. The number of unemployed youth registered in various District Employment Exchanges of the J&K State is 111077 lakhs as on ending March 2016, whereas actual figures may be higher as the registration with the Employment Department is a voluntary process and not mandatory. Increase in the unemployment of educated youth has increased the brain drain from the state to other states of the country and abroad as well. Survey on Employment – Unemployment carried out by NSSO provides estimates on various aspects pertaining to employment and unemployment at the National as well as State level in the country.

The latest NSS Survey- 68th round conducted during July, 2011 – June, 2012 throughout the country is an important source of information on employment and unemployment.

As per the 68th Round of NSS July 2011 to June 2012, based on Usual Principal Status (UPS), state of J&K has witnessed the highest Unemployment rate of 4.9% in comparison to its neighboring States viz. Punjab (2.8%), H.P (2.0%), Delhi (4.7%), Haryana (3.2%). All India figures for Unemployment rate stood at 2.7% only.

Unemployment rate for Males in J&K was 3.2% only whereas that of females was 20.2% which when compared to the unemployment of females in neighboring States viz Punjab (5.6%), Haryana (4.8%), Delhi (4.3%), H.P (2.2%) is very high. The problem of unemployment amongst females is highest in J&K. Based on Usual Principal Status gap between Unemployment rate of females in J&K (20.2%) and that of All India level (3.7%) is huge. Further the unemployment is more prevalent in urban than in rural areas of J&K.

Unemployment rate in urban area of J&K based on 68th Round of NSS stood at 7.8% as against 3.9% in rural area. The Unemployment amongst urban males is 4.7% which is higher than that of rural males (2.7%) in J&K. Also rural female unemployment in J&K stood at 16.6% which is again far too high when compared to the neighboring States viz Punjab (6.1%), H.P (1.8%), Haryana (4.2%) and All India figures which is 2.9% only.

One of the dominant reasons behind rising unemployment rate in the state of Jammu & Kashmir is the weak performance of public sector in our part of the world. Currently, the public sector of the state is in quiet unhealthy shape. Out of 19 PSUs in the state, only 12 are profit making while 7 have been declared sick. Ironically the PSUs of the Jammu & Kashmir state are real assets worth billions of rupees at prime locations but still they are in ruins and are not able to cultivate their rich potential so that they can generate employment and employment opportunities for youth. Out of many other reasons for increasing unemployment in the state is school curricula and lack of employable skills.

Local Entrepreneurship

There is a two-way causation between changes in the level of entrepreneurship and that of unemployment: ‘Schumpeter’ effect and “Refugee” effect. self-employment as a solution due to the lack of employment, according to later one and entrepreneurship reduces unemployment as per the earlier concept. It has been seen that high unemployment rate lead to start-up activity by unemployed for self-employment. And ultimately increase in the rates of self-employment may indicate increased entrepreneurial activity which results in the reduction of unemployment in subsequent periods. Tijani-Alawiye (2004) defines entrepreneurship as, “the process of increasing the supply of entrepreneurs or adding to the stock of existing small, medium and big enterprises available to a country by creating and promoting many capable entrepreneurs, who can successfully run innovative enterprises, nurture them to growth and sustain them, with a view to achieving broad socio-economic developmental goals. One of these goals is sustaining employment.”

In Jammu & Kashmir not, many factors are conducive for traditional sectors of business because J&K has not been able to attract many investments for entrepreneurship and hence remained an industrially backward state due to its unique political and economic disadvantages that rise out of its topography which results in poor connectivity. Industrial backwardness is also a result of hilly and low maintained terrain, poor infrastructure, disturbed markets and most importantly a law and order situation badly impacted by militancy.

From past two decades, the economy of J&K has suffered from disturbed political conditions. And it is necessary to put economy of the state back on track by generating employment opportunities for the youth of the state. Different sectors and sub-sectors of the State’s economy would require different kinds of interventions for revival/growth depending upon the nature of the activity, the impediments to growth and the institutions that are in place to encourage or promote growth. While preparing any plan for sustainable employment generation, government should keep in view that the prospects of large-scale expansion in the public sector jobs is not the most viable option. Therefore, other avenues need to be explored for providing sustainable employment to the youth and educated youth of the State. Small Scale Industries are more labour intensive than large scale industries thus providing more employment. Small Scale Industries has provided employment opportunities to unemployed youth of the state and also contributes to 13% of GSDP.

MSME sector has emerged as a most dynamic and vibrant sector of Indian economy across the states. According to the report of the Confederation of Indian Industry, with around 36.1 mn units throughout the country, MSMEs contribute to around 6.11% of the manufacturing GDP from service activities and 33.4% of India's manufacturing output, total employment to around 120mn and contribute around 45% to overall exports from India.

Thus, Industrialization plays a significant role in employment creation of any economy. State of J&K is on the path of industrialization, large-scale and heavy industries are not present in an acceptable statistic; due to political instability, poor infrastructure and climatic disadvantages. MSME- DI JAMMU stated in their report 2014-15 that according to Ministry of Home Affairs (GOI) (Deptt. Of J&K Affairs), to fill the gaps in manpower in the public services such as Health & Education, other government jobs, the margin cannot be more than 17%. Therefore, government has to provide with substantial employment to the people of state by creating and implementing of employment-oriented schemes and programs, and by encouraging entrepreneurs for self-employment by setting up small and medium enterprises.

Growth and employment of MSMEs is shown in a table given table.

| Table No. 2: Growth and Employment of MSMEs 2006 – 2016 | | |
|--|------------------------|-----------------------------|
| Year | No. of SSI/MSME | Employment Generated |
| 2006-07 | 49429 | 225963 |
| 2007-08 | 50470 | 232915 |
| 2008-09 | 51441 | 238281 |
| 2009-10 | 52629 | 245774 |
| 2010-11 | 53544 | 251551 |
| 2011-12 | 54714 | 260393 |
| 2012-13 | 55742 | 267194 |
| 2013-14 | 56660 | 274011 |
| 2014-15 | 57788 | 276680 |
| 2015-16 | 58596 | 283105 |
| Source: Digest of Statistics 2015-16, Directorate of Industries & Commerce Jammu & Kashmir | | |

OPPORTUNITIES FOR ENTREPRENEURSHIP IN J&K

- The state has skilled manpower is available particularly in traditional sectors like handicrafts, handlooms, sericulture and other export-oriented sectors of the economy.
- As the economy of the state is agricultural and allied agricultural, setting-up of small and medium scale industries in some new areas like food processing, agro based units will be more conducive
- Manufacturing of cricket bats.
- One of the sectors that has great potential for foreign exchange earnings and creating more employment opportunities in the state is Handicrafts. It is less capital and more labour intensive sector, thus generating more employment.
- Handicrafts is one of the important sectors of J&K Economy. J&K handicraft products are famous worldwide for their attractive designs functional utility and high quality craftsmanship. The sector engages approximately 3.74 lac artisans in manufacturing handicraft products in J&K State.
- J&K state has a significant role in the production of Bivoltine silk, which is one of the priority areas of the Indian silk Industries. It is an agro based cottage industry which has high capacity of employment generation chances in pre and post cocoon activities.
- Horticulture is also one of the entrepreneurial sector. According to State Horticulture Dept, J&K Govt. around 20 lakhs, persons are, in one way or the other, being benefited by the fruit industry of the state.
- Food Processing Sector in J&K has huge potential in terms of employment generation. The Food Processing Sector contributes 7% to the country's GDP and generates direct employment to about 13 million people. J&K having strong advantages in terms of soil and climate makes it highest temperate fruit producing state in the country.
- Agribusiness including export of fresh and dry fruits is the foundation key of J&K economy. This sector involves around half a million households and play an important role in the rural economy of J&K. The industry contributes nearly 60 % of the state's revenue and 22 % of gross state domestic product.

Government Efforts

Jammu and Kashmir need to shift from consumption state to production state with maximum utilization and proper allocation of resources and proper skill development of the youth. According to Economic Survey J&K, 2015-16, the government is taking all possible steps and making all possible efforts in providing gainful employment to the unemployed educated and non-educated youth of the state, but it is not possible for the government of the state to provide government jobs to all educated unemployed youth. Under these circumstances, different potentials have to be explored for absorbing the youth by creating job opportunities in the private sector extensively as well.

It is understood that the young entrepreneur who ventures out with a new business idea faces considerable difficulties in starting a business and then sustaining it long enough to become successful. Extending support to entrepreneurs to set up small and medium enterprises for self-employment would appear to be the most effective and durable way of creating employment. Different sectors and sub-sectors of the State's economy would require different kinds of interventions for revival/growth depending upon the nature of the activity, the impediments to growth and the institutions that are in place to encourage or promote growth. Specific interventions through Government schemes and the special employment programs started and supported by the government are given below:

1. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) aims to provide 100 days wage employment in year to the rural household who register themselves for unskilled labour.

2. Prime Minister Employment Generation Programme (PMEGP) aims to create employment opportunities in rural as well as urban areas of the country by providing credit linked subsidy for setting up of micro enterprises.

3. Swarnajayanti Gram Swarozgar Yojna (SGSY) came in to effect on 1999, with the aim at bringing the rural BPL families above poverty line by organizing them in to Self Help Groups (SHGs) through the process of social mobilization and their training and capacity building, provision of credit linked subsidy, technology inputs etc. in order to enable them to be self-employed and taking up some income generation activity.

4. Swarna Jayanti Shahari Rozgar Yojna (SJSRY) for urban areas a holistic scheme implemented in 1997 with the aim to provide gainful employment to the urban unemployed and under employed poor population and to help them set up self-employment ventures and also through providing wage employment by utilizing their labour construction of socially and economically useful public assets.

Industrial Policy 2016: It aims on creating employment opportunities to attract larger and bigger investments.

Start Up India Program under Industrial Policy 2016 started by government of India aims at providing employment opportunities through self-employment to the unemployed youth of the country by linking them to start-up program. Start-up India Program will act as a driving force for new entrepreneurship and identified start-ups for strengthening skill development and unemployment generation.

An entrepreneur and skill development fund shall be created for incorporating entrepreneurial skills to the local youth for sustained industrial growth in the state.

Jammu And Kashmir Entrepreneurship Development Institute (JKEDI): The Institute creates awareness and facilitates entrepreneurship in Jammu and Kashmir by imparting entrepreneurship education, conduct skill upgradation trainings, disseminate knowledge and bring about behavioural changes towards the concept of entrepreneurship at the societal level. Besides, the Institute also conducts and facilitates entrepreneurship research to help aspiring, budding or established entrepreneurs in their successful enterprise creation. The aim is to make entrepreneurship as one of the most important components of the state's economic development and progress. JKEDI implements a host of government sponsored employment schemes, which inter-alia include Seed Capital Fund Scheme (SCFS) of the Sher-e-Kashmir Employment and Welfare Programme for Youth and the Youth Start-up Loan Scheme. Table no. 3 below shows number of participants covered under different programs by JKEDI from 2007 – 2016.

| Table No. 2: No. of participants covered under different programs by JKEDI. | | | | | | |
|---|-----------------|---------------------|-----------------|---------------------|-----------------|---------------------|
| Year | EAPs | | EDPs | | EOPs | |
| | No. of programs | No. of participants | No. of programs | No. of participants | No. of programs | No. of participants |
| 2010-11 | 83 | 4761 | 77 | 2613 | 28 | 1120 |
| 2011-12 | 58 | 5935 | 105 | 2941 | 26 | 1184 |

| | | | | | | |
|--|-----|-------|-----|------|----|------|
| 2012-13 | 191 | 8359 | 88 | 2707 | 15 | 600 |
| 2013-14 | 175 | 11014 | 102 | 3167 | 17 | 1833 |
| 2014-15 | 319 | 21840 | 101 | 3226 | 9 | 328 |
| 2015-16 | 674 | 30272 | 172 | 5072 | 7 | 326 |
| EDPs: Entrepreneurship Development Programs, EAPs: Entrepreneurship Awareness Programs, EOPs: Entrepreneurship Orientation Programs. | | | | | | |

CHALLENGES FACED BY ENTREPRENEURS IN J&K

- **Lack of adequate training:** This challenges the future of the youth as entrepreneurs. It has been seen that the educational curriculum in J&K focuses more on the theoretical without a corresponding practical approach.
- **Inadequate Working Capital:** It has been observed that for an entrepreneur in state of J&K to start a business, he /she must have his own adequate funds. In a situation where the working capital is inadequate or unavailable, it becomes a road block. This is one of the major, if not the only major problem that young people encounter when opening a business. Banks are hesitant in giving loans to intending and budding entrepreneurs especially when they are young people keeping in mind their changing mind set.
- **Availability of Raw Materials:** The availability raw materials required for business is another problem that new entrepreneurs come across in Jammu and Kashmir while establishing start-ups as those are to be imported from different parts of country which leads to high cost of production.
- **Legal formalities:** This is the major problem faced by the entrepreneurs in Jammu and Kashmir.

The list of formalities required to be fulfilled while establishing the business ventures is too high that becomes biggest hurdle to even initiate the process.

- **Lack of technical education:** The impact of strikes has been negatively deep and profound on the educational atmosphere in the valley. Skill based courses are worst affected as both institute and students are not able to complete the courses.
- **Political Instability:** Roughly, the strikes engulfed the whole valley for more than 5 months. The continuous strikes, stone throwing and curfews have resulted in loss of tourist season (July, 2016 to October, 2016), loss of working season, about 116 days out of total working season of 180 days (May to October) in 2016. All this has resulted in huge economic loss to the state that counts about 64% of the tourist and working season. The loss caused to economy of the J&K state due to strikes/curfews in the valley in the year 2016 is estimated to about more than Rs.16000.00 crore.

CONCLUSION

Youth entrepreneurship holds a promising avenue for growth and development. especially in the developing countries with a favorable demographic dividend like India. Innovative ideas need to be nurtured, risk taking to be encouraged and a favorable environment for sustainable development has to be ushered in. It is wrong to assume that socially and economically depressed area like J&K will transform into fast growing area by injection of external investment funds and external expertise. Entrepreneurial capabilities have to be well developed or potentially available, if that is not the case then external funds will be wasted on projects and hence will not provide any long-term economic growth in the state. As a result of which, instead of becoming more and more integrated into economically and socially rich areas, such areas will become increasingly isolated, depleted, depopulated, poorer and therefore will have less capability to attract potential people who, given other available resources, would make a positive impact with the development. Entrepreneurial orientation based on bringing in human resource and investment from outside, is based on encouraging local entrepreneurial talent and subsequent growth of domestic companies. This will help in creating more jobs and adding economic value to a region and at the same time keeping all the scarce resources within the community. To accelerate economic development through entrepreneurship, it is necessary that new and budding entrepreneurs should increase and that will help in building up the critical mass of first generation entrepreneurs, who will take risks and engage in the uncertainties of a new venture creation, create something from practically nothing and create values by pulling together a unique package of resources to exploit an opportunity in the disturbed state like Jammu and Kashmir. By their example they will stimulate an autonomous entrepreneurial process, as well as a dynamic entrepreneurship, thereby ensuring continuous rural development. It is important to stress that rural entrepreneurship in its substance does not differ from entrepreneurship in urban areas. Entrepreneurship in J&K is about finding a unique blend of resources, either inside or outside of agriculture.

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MARKETING OF DAIRY PRODUCTS: A COMPARATIVE STUDY BETWEEN TWO DAIRY BRANDS IN GUWAHATI, ASSAM

Rashmi Rekha Goswami

Assistant Professor, Kristu Jayanti College, Bangalore

ABSTRACT

India is the largest milk producer in the entire globe. It is known as the “Oyster” of the global dairy industry. The Indian Dairy Industry has grown consistently ever since the White Revolution of the 1970's. It might be a dream for any nation in the world to capitalize on the largest and fastest growing milk and milk product's market and India is truly realizing this dream to the optimum level. In Assam, the Dairy Production scenario is not the same. Dairy Production in Assam is mostly characterized by rural small householder production using indigenous cattle and buffalo. The organized marketing of milk in Assam remains relatively small, though efforts and initiatives have been regularly undertaken to develop the sector. This research paper tries to make a comparative study between two of the topmost leading dairy brands in Assam. The two Dairy Brands selected for the study is Central Dairy (Government sector) and Purabi Dairy (Private sector). The objectives of the study is to find out the efficiency of the channels of distribution, to analyse the customer preference for selected dairy brands and suggest measures for improvement in the sector.

Keywords: Dairy Industry, Milk Production, Purabi Dairy, Central Dairy, Marketing Channels.

DAIRY INDUSTRY IN INDIA

The Dairy Industry in India has been on a steady path of progression since independence. Over the span of three decades, India has transformed from a country of acute milk shortage to the world's leading milk producer. This phenomenal success is attributed to a government initiative known as Operation Flood (1970-1996) and its intense focus on dairy development activities. Dairy Industry contributes more than one-fifth to the agricultural value of output and provides employment to about 21 million people, the majority of whom are resource-poor (Kumar et al, 2010). It offers opportunities galore to entrepreneurs worldwide, who wish to capitalize on one of the world's largest and fastest growing market for milk and milk products. The main objective of the Indian Dairy Industry is to manage the national resources in a manner to enhance milk production and upgrade milk processing using innovative technologies.

Indian Dairy Industry has grown from producing 17 million tones of milk in 1951 to producing 121 million tones in 2011. Today, India is one of the largest milk producing countries in the world. The Indian Dairy Industry reported a market size of USD \$ 48.5 billion in FY 2011. With a compound annual growth rate (CAGR) OF 16% , it is anticipated to reach USD \$ 118 billion in 2017. The Indian Dairy Industry is dominated by the unorganized sector comprising of 70 million rural household. Semi-commercial dairy started with the establishment of dairy farms and co-operative milk unions throughout the country towards the end of the 19th century. Indian Dairy Association (IDA) has been established in the year 1948, it is the apex body of the dairy industry in India. The luminaries like Sardar Datar Singh, Dr. K.C.Sen, Dr.D.N.Khurody, Dr. V. Kurien etc. were the past presidents of the Indian Dairy Association. The IDA head quarter is located in Delhi and mainly the zonal branches are in Bangalore, Kolkata, Mumbai and Delhi. It has state chapters at Gujarat(Anand), Kerala(Thrissur), Rajasthan(Jaipur), Punjab(Chandigarh), Bihar(Patna), Uttarakhand(Dehradun) and Haryana(Karnal). The main objective of Indian Dairy Association is to encourage and promote the scientific research and development related to dairy sector in India.

THE KEY PLAYERS IN THE INDIAN DAIRY SECTOR

| Key Players | Brand | Turnover (2009-10) Rs.in crores |
|--|-------------------------|---------------------------------|
| Gujarat Co-operative Milk Marketing Federation (GCMMF) | Amul | 8007 |
| Nestle India | Nestle | 1641 |
| Britannia Industries Ltd. | Britannia | 1083 |
| Punjab State Cooperative | Verka | 1150 |
| Kwality | Kwality Walls | 1054 |
| Parag Milk Food | Parag | 550 |
| Modern Dairy | Modern Dairy | 445 |
| Rajasthan State Cooperative | Saras | 300 |
| ADF Food | Ashoka | 102 |
| Himalaya International | Himalaya Fresh (paneer) | 69 |

Sources: Department of Animal Husbandry, Dairying and Fisheries, Ministry of Agriculture, Government of India.

DAIRY DEVELOPMENT IN ASSAM

The dairy development in Assam was initiated in the fag end of the second Five Year Plan period. Dairy Development activities till February 1982 were carried out by the directorate of Animal Husbandry and Veterinary, Assam and there was no separate Directorate as such for dairy development in Assam considering the importance of dairy development activities in the state. The state government had created a new Directorate as the Directorate of Dairy Development in January 1982 under the administrative control of Animal Husbandry and Veterinary Department and in the year 2004, Government has notified it as a permanent department. The activities of Dairy Development, Assam were initiated with basic concept of procurement, processing and distribution of milk aiming at economic upliftment of rural milk producers and to help urban consumer to get quality milk at reasonable price.

Town Milk Supply Scheme, Guwahati came into operation with effect from January, 1963 and raw milk was supplied to the Defence Army Personnel to a minimum quantity of 600 liters a day. During the year 1969, a pasteurization plant was commissioned with the capacity of 10,000 liters. Under the Town Milk Supply Scheme, Guwahati had started supplying pasteurized milk to consumers of the city. The capacity of Central Dairy Plant, Guwahati has been expanded to process 20,000 liters of milk a day during 1984-85. There are three chilling plant at Jagiroad, Dudhnoi and NayaBunglow under Town Milk Supply, Guwahati for procurement and chilling of milk in rural areas. The NayaBunglow Chilling Plant is now under the Meghalaya Government. At present, two more chilling plants have been installed, one at Kajalgaon in Goalpara district and two at Kharupetia, Sipajhar in Darrang district. Earlier, Central Dairy used to supply their milk in bottles. It was only in 1988 that pouch packages were developed and milk was supplied in such packages. Still today, it was working in greater Guwahati market as a convenient means of milk packaging.

The National Dairy Development Board (NDDB) took over the management of Assam's own AMUL- The West Assam Milk Producer's Cooperative Union Ltd. (WAMUL) which sales pasteurized milk and milk derivatives products in the city and nearby districts under the brand name "PURABI". A memorandum of understanding (MOU) was signed between the NDDB, the Assam Government and WAMUL, Which was on the verge of closure due to a severe financial crunch. The supply of Purabi milk declined drastically and WAMUL employees were compelled to sacrifice their wages and salaries for months together. Although The State Government had decided to hand over loss making WAMUL to NDDB for its revival in 2004, the proposal remained on paper for the past three years. Union Minister of State for Commerce, Jairam Ramesh took the initiative to expedite the signing of the MOU, the process of which began in 2007. WAMUL started the activities in 1981-82 as the implementing agency of Operation Flood-II Programme of which the NDDB was the technical consultant and financial authority. Processing started in 1989 at its milk plant in the Panjabari locality in Guwahati, Assam. Purabi milk and milk products are marketed directly through a network of retailers in Guwahati city. The retailers collect milk from the milk producer cooperatives WAMUL. It is collected every morning and evening by their milk vans. The milk so collected is in processed form and marketed in sealed poly packets. Milk is sold in packets of various weights. It is basically sold on cash payment basis.

MILK PRODUCTION IN ASSAM (2001-2010)

| Year | 000' tones |
|---------|------------|
| 2001-02 | 682 |
| 2002-03 | 705 |
| 2003-04 | 727 |
| 2004-05 | 739 |
| 2005-06 | 747 |
| 2006-07 | 750 |
| 2007-08 | 752 |
| 2008-09 | 753 |
| 2009-10 | 756 |

Sources: Department of Animal Husbandry, Dairying and Fisheries, Ministry of Agriculture, Government of India

SWOT ANALYSIS OF THE DAIRY SECTOR

SWOT analysis stands for strength, weakness, opportunity and threat. SWOT analysis provides a logical framework for systematic discussion of various issues bearing on the business situation, generation of alternative strategies and finally the choice of the strategy. It is often used at the start of or as part of a strategic planning exercise. The framework is considered a powerful support for decision-making because it enables an entity to uncover opportunities for success that were previously unarticulated or to highlight threats before they

become overly burdensome. I have made an effort to conduct a SWOT analysis of the dairy industry in Assam. The result of the same areas follows:

STRENGTH

1. Ideal location of the dairy plant for easier transportation and communication
2. Technically very efficient staff working at the dairy plants
3. Adequate procurement of finance for efficient production

WEAKNESS

1. Lack of promotional strategies for selling its product
2. Inadequate marketing strategies.
3. Poor packaging strategy for various products
4. Weak distribution channel network
5. Lack of marketing intelligence and market research
6. Purabi Dairy has its very own brand name” PURABI” ,but Central dairy has no brand name as such.

OPPORTUNITIES

1. Dairy plants can take the competitive advantage of the home delivery facility to satisfy the needs of their consumers because none of the available dairy firms in the locality have the home delivery facility.
2. Dairy firms may introduce to innovate their new value added milk products
3. There is ample scope to promote more milk producers thereby increasing the milk production and providing the necessary market support. This will indirectly help to enhance the brand image of the products.

THREATS

1. Competition has increased considerably. Many local competitors have come up in the market viz. Prithibi Dairy, Dairy Fresh etc.
2. Big outside competitors like the Tetra Pack Sterilized milk of the national and multi national companies eg. Amul Taazaetc
3. Lack of technology innovation.

MRP and Retailers Commission of Purabi Dairy Milk Products and Central Dairy Milk Products:

The maximum retail price and retailers commission of various Purabi Dairy milk products are given hereunder in a tabular form:

| Name of the products | Pack Size | MRP including retailers margin(Rs.) | Retailers Commission(Rs.) |
|----------------------|-----------|-------------------------------------|---------------------------|
| Toned Milk | 500 ml | 10.00 | 0.50 |
| Double Toned Milk | 500 ml | 9.00 | 0.50 |
| Fresh Cream | 500 gms | 76.00 | 4.00 |
| | 250 gms | 38.00 | 2.00 |
| Paneer | 200 gms | 32.00 | 2.00 |
| Desi Ghee | 200 gms | 48.00 | 5.00 |
| Lassi | 200 ml | 9.00 | 1.00 |
| Plain Curd | 500 gms | 21.00 | 2.50 |
| Sweetened Curd | 500 gms | 24.00 | 2.50 |
| | 200 gms | 12.00 | 2.00 |
| | 100 gms | 6.00 | 1.00 |
| | 50 gms | 3.50 | 0.50 |
| Flavoured Milk | 200 ml | 10.00 | 1.00 |

(Price effective within Guwahati city only)

The maximum retail price and retailers commission of Central Dairy milk and milk products are given hereunder in a tabular form:

| Name of the products | Pack Size | MRP including retailers margin(Rs.) | Retailers Commission (Rs) |
|----------------------|-----------|-------------------------------------|---------------------------|
| Toned Milk | 500 ml | 12.00 | 1.00 |
| Paneer | 200 ml | 34.00 | 4.00 |
| Sweet Dahi | 500 gms | 25.00 | 2.50 |
| Plain Curd | 500 gms | 22.00 | 2.50 |
| Yoghurt Dahi | 100 ml | 7.00 | 1.00 |

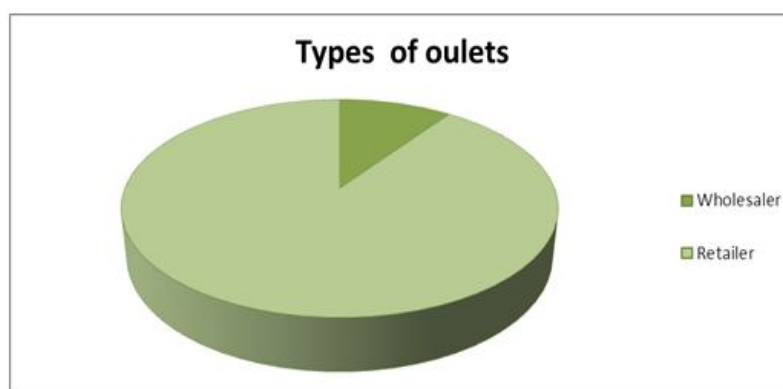
ANALYSIS AND INTERPRETATION

A sample of 40 numbers of retailers and wholesalers of milk and milk products were considered to study the consumers' satisfaction level on the use of Central Dairy and Purabi Dairy milk products. The primary data were collected from the respondents with the help of a questionnaire and personal interaction.

1) Types of Outlets

The sample size is 40 and consists of two types of outlets viz. Wholesalers and retailers.

| Sl. No. | Type of outlet | No.of outlets | Percentage (%) |
|---------|----------------|---------------|----------------|
| 1 | Wholesaler | 4 | 10 |
| 2 | Retailer | 36 | 90 |

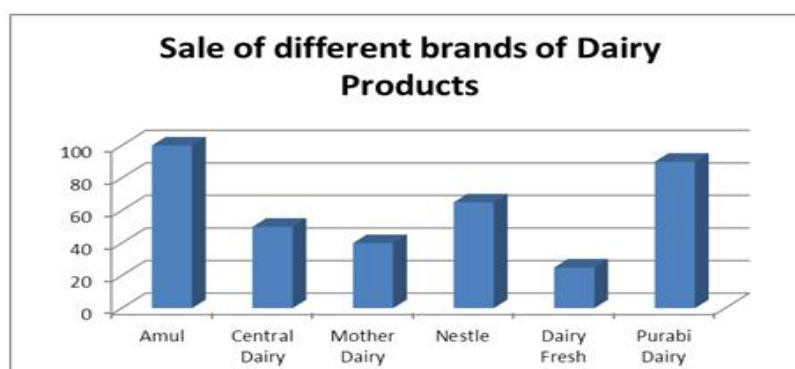


2) Product Profile

A. Sale of different brands of Dairy Products in Assam and ranking the same.

| Parameters | No. of Respondents | Percentage (%) | Rank |
|---------------|--------------------|----------------|------|
| Amul | 40 | 100 | 1 |
| Central Dairy | 20 | 50 | 4 |
| Mother Dairy | 16 | 40 | 5 |
| Nestle | 26 | 65 | 3 |
| Dairy Fresh | 10 | 25 | 6 |
| Purabi Dairy | 36 | 90 | 2 |

Note: The total number of responses is more than the total number of respondents because the retailers store more than one products in their outlets.

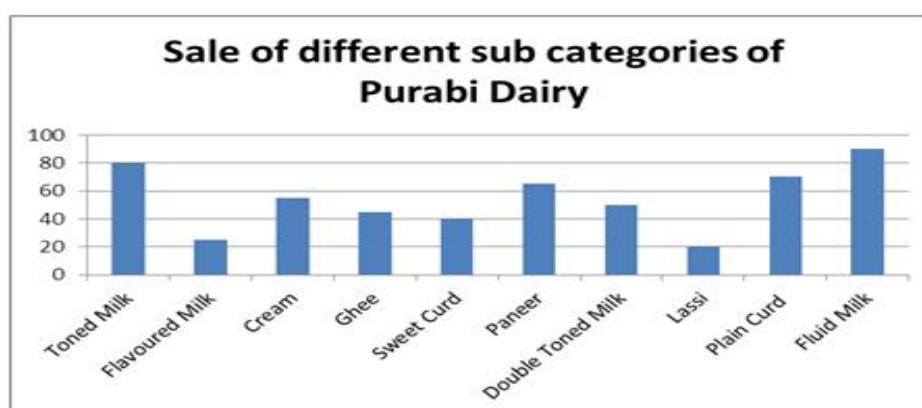


B. Product Profile of Purabi Dairy

Sale of different sub categories of Purabi Dairy

| Parameter | No.of respondents | Percentage (%) | Rank |
|-------------------|-------------------|-----------------|------|
| Toned Milk | 32 | 80 | 2 |
| Flavoured Milk | 10 | 25 | 9 |
| Cream | 22 | 55 | 5 |
| Ghee | 18 | 45 | 7 |
| Sweet Curd | 16 | 40 | 8 |
| Paneer | 26 | 65 | 4 |
| Double Toned Milk | 20 | 50 | 6 |
| Lassi | 8 | 20 | 10 |
| Plain Curd | 28 | 70 | 3 |
| Fluid Milk | 36 | 90 | 1 |

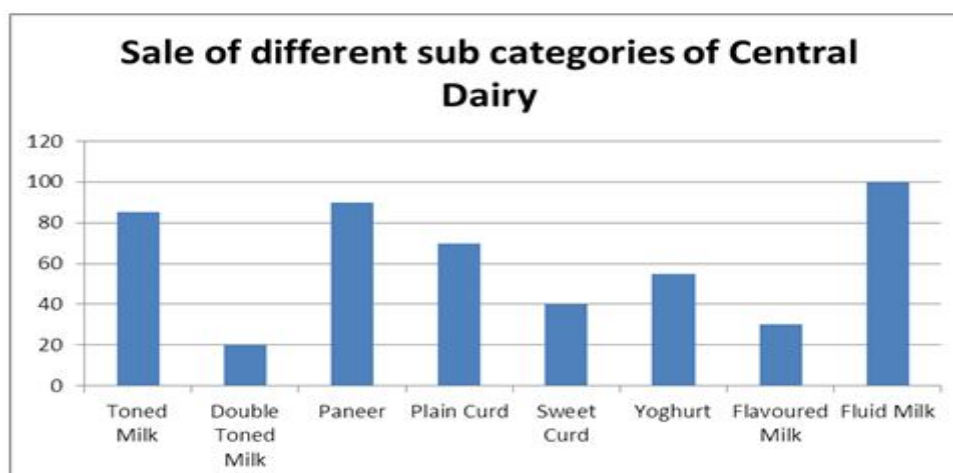
Note: The total number of responses is more than the total number of respondents because the retailers store more than one products in their outlets.

**3. Product Profile of Central Dairy**

Sale of different sub categories of Central Dairy Product

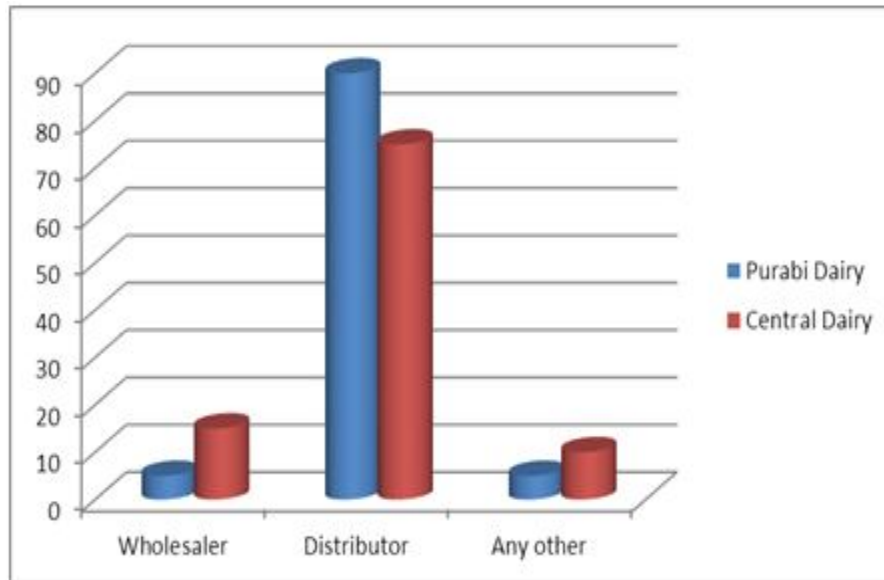
| Parameter | No. of respondents | Percentage (%) | Rank |
|-------------------|--------------------|----------------|------|
| Toned Milk | 34 | 85 | 3 |
| Double Toned Milk | 8 | 20 | 8 |
| Paneer | 36 | 90 | 2 |
| Plain Curd | 28 | 70 | 4 |
| Sweet Curd | 16 | 40 | 6 |
| Yoghurt | 22 | 55 | 5 |
| Flavoured Milk | 12 | 30 | 7 |
| Fluid Milk | 40 | 100 | 1 |

Note: The total number of responses is more than the total number of respondents because the retailers store more than one products in their outlets.



4) Delivery of Products

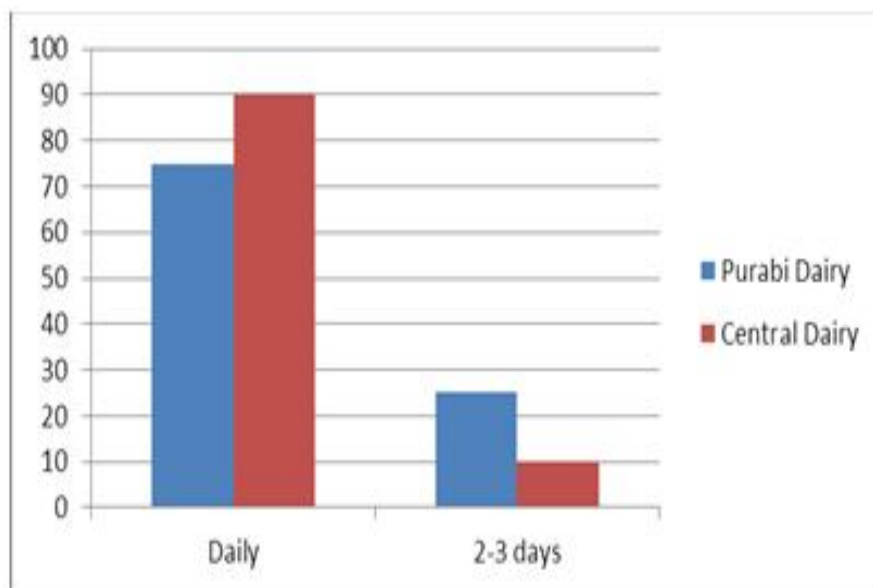
| Parameter | Purabi Dairy | | Central Dairy | |
|------------|--------------------|----------------|--------------------|----------------|
| | No. of respondents | Percentage (%) | No. of respondents | Percentage (%) |
| Wholesaler | 2 | 5 | 6 | 15 |
| Retailer | 36 | 90 | 30 | 75 |
| Any Other | 2 | 5 | 4 | 10 |



Different sources of delivery

5) Duration of getting the Product Delivery

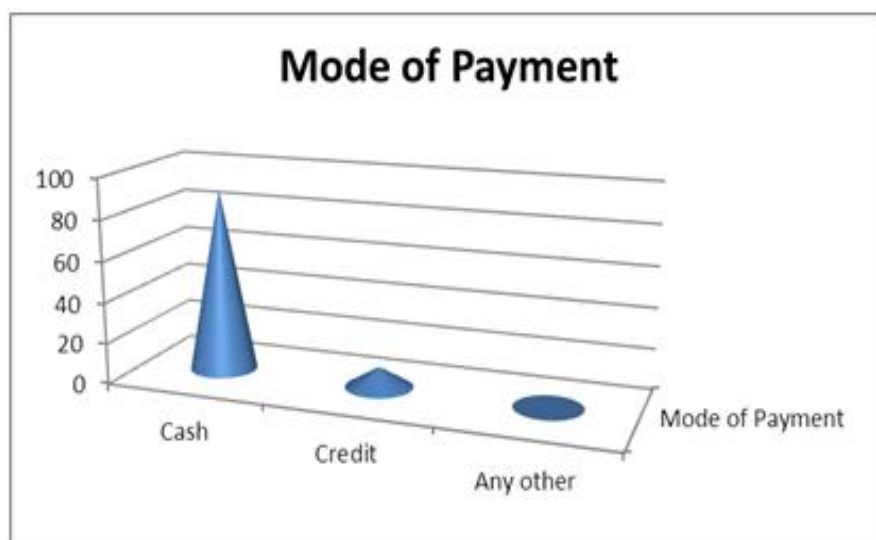
| Parameter | Purabi Dairy | | Central Dairy | |
|-----------|--------------------|----------------|--------------------|----------------|
| | No. of respondents | Percentage (%) | No. of respondents | Percentage (%) |
| Daily | 30 | 75 | 36 | 90 |
| 2-3 days | 10 | 25 | 4 | 10 |



Duration of Product Delivery

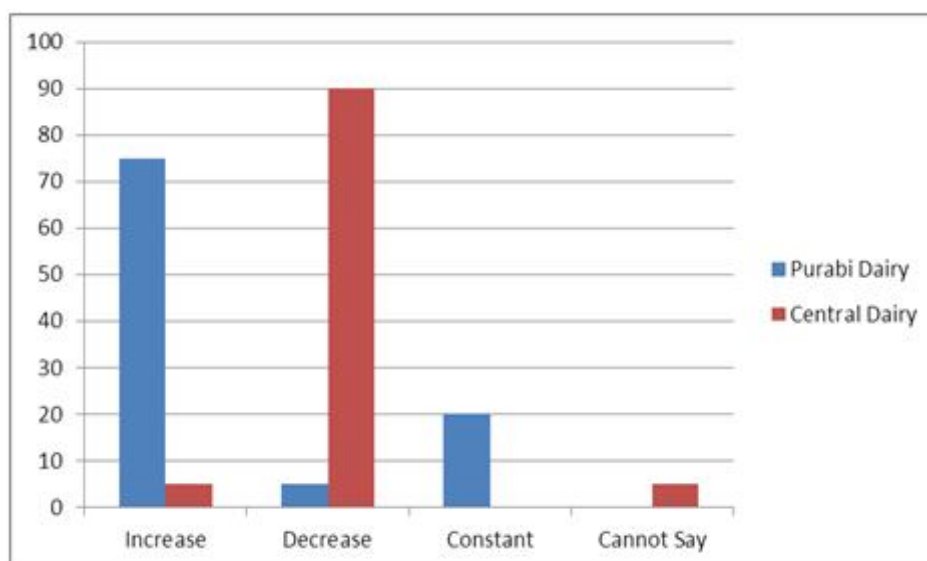
6) Mode of Payment

| Sl.No | Parameter | No. of respondents | Percentage (%) |
|-------|-----------|--------------------|----------------|
| 1 | Cash | 36 | 90 |
| 2 | Credit | 4 | 10 |
| 3 | Any other | 0 | 0 |



7) Pattern of Sales

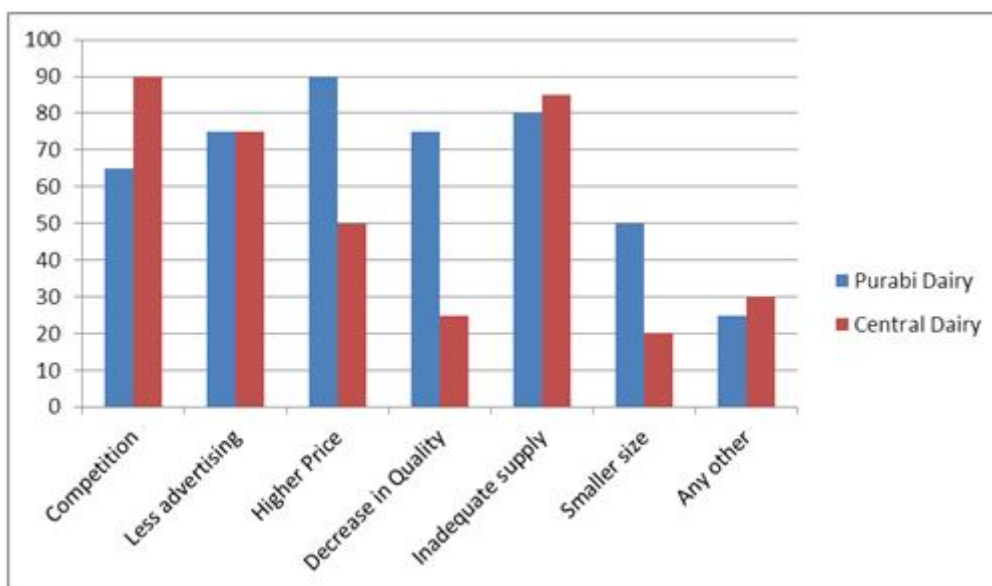
| Parameter | Purabi Dairy | | Central Dairy | |
|------------|--------------------|----------------|--------------------|----------------|
| | No. of respondents | Percentage (%) | No. of Respondents | Percentage (%) |
| Increase | 30 | 75 | 2 | 5 |
| Decrease | 2 | 5 | 36 | 90 |
| Constant | 8 | 20 | 0 | 0 |
| Cannot say | 0 | 0 | 2 | 5 |



8) Decrease of Sales

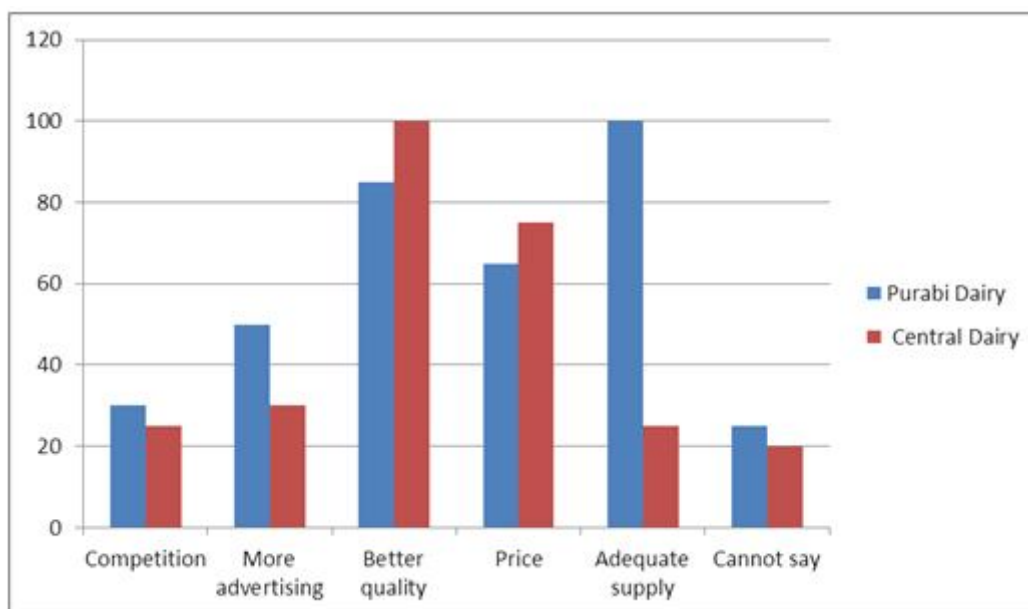
| Parameter | Purabi Dairy | | Central Dairy | |
|---------------------|--------------------|----------------|--------------------|----------------|
| | No. of Respondents | Percentage (%) | No. of Respondents | Percentage (%) |
| Competition | 26 | 65 | 36 | 90 |
| Less advertising | 30 | 75 | 30 | 75 |
| Higher Price | 36 | 90 | 20 | 50 |
| Decrease in Quality | 30 | 75 | 10 | 25 |
| Inadequate supply | 32 | 80 | 34 | 85 |
| Smaller Size | 20 | 50 | 8 | 20 |
| Any Other | 10 | 25 | 12 | 30 |

Note: The total number of responses is more than the total number of respondents because the retailers store more than one product in their outlets.



9) Increase of Sales

| Parameter | Purabi Dairy | | Central Dairy | |
|------------------|--------------------|----------------|--------------------|----------------|
| | No. of respondents | Percentage (%) | No. of Respondents | Percentage (%) |
| Competition | 12 | 30 | 10 | 25 |
| More Advertising | 20 | 50 | 12 | 30 |
| Better Quality | 34 | 85 | 40 | 100 |
| Price | 26 | 65 | 30 | 75 |
| Adequate supply | 40 | 100 | 10 | 25 |
| Cannot say | 10 | 25 | 08 | 20 |



FINDINGS OF THE STUDY

- It has been observed in the survey that dairy products are mostly sold by various retailers in their outlets. Comparatively, there are lesser number of wholesalers dealing in dairy products than retailers.
- Out of the 6 dairy product brands Amul and Purabi Dairy emerged as the market leaders in Guwahati. Nestle has been ranked in the 3 rd place. It has further been observed that most of the outlets keep powered as well as packed dairy products.
- Out of the different existing sub categories of Purabi Dairy, Fluid Milk and Toned Milk appeared more popular amongst the consumers. Products such as cream, Paneer and Plain Curd of Purabi Dairy have also gained huge Popularity amongst the consumers.

- Out of the different existing sub categories of Central Dairy, Fluid Milk and Paneer were found to be more popular amongst the consumers of dairy products. Toned Milk was ranked 3 rd in the sale of Central Dairy Products.
- Basically delivery of both Purabi Dairy and Central Dairy was done by distributors. Certain milk products are delivered through wholesalers as well.
- Payment for the milk products are done basically on cash basis. Though, on certain occasions, payment on credit basis is also made.
- The sales of Purabi Dairy has increased in recent years while it is the opposite in case of Central Dairy. The sales of Central Dairy has been decreasing slowly but gradually.
- The sales of Purabi Dairy products have mainly decreased because of higher price, inadequate supply and decrease in quality. On the other hand, the sales of Central Dairy products have mainly decreased because of competition, inadequate supply and less advertising.
- The sales of Purabi Dairy products increased mainly due to adequate supply and better quality. On the other hand, the sales of Central Dairy, products increased due to better quality and price.

SUGGESTIONS

- ❖ The dairy plants should attempt to produce more new variety of products
- ❖ Market linkage of the dairy firms especially Central Dairy is somewhat traditional in nature and so it should be updated
- ❖ The training and development programmes are basically conducted by in-house faculty members hence , there is the need of external faculty as well.
- ❖ Upper and lower level employees should always be encouraged to give their ideas for further improvements in the existing product profiles.
- ❖ The organization should emphasis on the use of communication channels such as newspaper, megazines, hoardings, radio, television, face to face contact by salesmen, discounts, premiums, gift coupons etc.
- ❖ The organization should work towards making the product packaging more attractive and appealing
- ❖ By replacing the existing machineries with more sophisticated machines, thereby increasing production at minimized cost.
- ❖ To minimize the problems faced in distribution, the authorities can make arrangements to procure its own vehicles instead of relying only on hired vehicles
- ❖ Steps should be taken to provide services to the uncovered areas in the city and outside by opening new booths in those areas
- ❖ The authorities should make arrangement for consumer education and awareness campaign regarding the intrinsic value of milk as a complete food for all reasons and for all age groups. Awareness should be created regarding the hazards involved in using loose and unhygienic pasteurized and packaged milk
- ❖ To promote further distribution , authorities can make arrangements for home delivery of its products.
- ❖ To establish direct and personal relationships with consumers, provision should be made to open Consumer's Grievance Cell whereby the consumers would get scope for airing their grievances as to quality, services ,price etc.

CONCLUSION

The above discussion clearly highlights the significance of milk as the most nutritious and complete food and the role played by Purabi Dairy and Central Dairy in the production and distribution of milk and other dairy products in Guwahati city. Purabi Dairy is one of the most pioneer institutions in the field of production and distribution of milk and other dairy products in Guwahati city. It has to some extent solved the problem of unemployment by providing direct and indirect employment opportunities to the people. Inspite of the strict competition faced by other dairy brands, yet the demand for Purabi Dairy has not declined. The need of the hour is the urgency on the part of the authority to take stringent measures to capture more markets by maintaining the stand of its products.

Just like Purabi Dairy, Central Dairy has also been one of the pioneer institutions in the field of production and distribution of milk and other dairy products. Central Dairy, since its inception, has been fulfilling the requisite needs of Guwahatians for milk and other dairy products. But recently, it has been facing stiff competition from Purabi Dairy, Prithvi Milk etc. The production capacity of Town milk Supply Scheme has been decreasing slowly but gradually. Thus, The government Department and other agencies must come forward with schemes and funds to provide it with financial support and technical assistance.

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EMPIRICAL EVIDENCE ON CURRENCY DERIVATIVES AND CURRENCY RATES

Rupashree R

Assistant Professor, Department of Management, Kristu Jayanti College, Bangalore

ABSTRACT

Currency as an underlying asset is a volatile and unpredictable instrument to be traded in the market as there are a number of factors affecting movement of currency rates against global currencies like interest rate, inflation, economic and political scenario of a country. Futures market for currencies helps the investors to hedge the risk thereby it has also turned into a major investment avenue for speculators, brokerage firms etc. This paper focuses on discussing the evolution of currency derivative market in India and analyzing the impact of past currency future closing price with the Nifty closing price over a period of five years. In order to analyze the secondary data time series model, ARIMA is been used to prove the hypothesis.

Keywords: Currency derivative, Future market, hedge, ARIMA model.

INTRODUCTION

Currency derivatives are contracts that are entered between a buyer and seller where the value is been determined by the underlying currency. Currency derivatives are exchange based future and option contract that allow investors to exchange one currency for the other. This paper analyses future contract of currency market in India. Currency Future also known as FX Future is a contract entered in order to exchange one currency for another at a specified date and at a specified price fixed on the purchase date.

Currency futures is a financial derivative which was first introduced at Chicago Mercantile Exchange (CME) in the year 1972. In India, National Stock Exchange (NSE) was the first exchange approved by SEBI to set up a separate currency derivative segment. Trading of currency derivative futures started on 29th August 2008. Followed by NSE, Bombay Stock Exchange and multi commodity exchange (MCX) started trading currency futures from 1st and 7th October 2008 respectively. Currency derivative trading system of NSE is called National Exchange for Automated Trading- Currency Derivative Segment (NEAT-CDS). Currency futures and options are available on currency pairs like US Dollar and Indian Rupee (USD/INR), European Euro and Indian rupee (EUR/INR), Great Britain Pound and Indian Rupee (GBP/INR) and Japanese Yen and Indian Rupee (JPY/INR). In NSE the price of a future contract is in terms of INR per unit of other currencies. All such currency contracts are cash- settled in Rupees. Securities Exchange Board of India, early this year has given permission for cross currency future and option market. As per SEBI direction three pairs of cross currency trading namely EUR-USD, GBP-USD and JPY-INR are available for trading with effect from 27th February 2018.

Table-1: Evolution of Derivative Market in India.

| | |
|--|--|
| 14 December 1995 | NSE asked SEBI for permission to trade index futures |
| 18 November 1996 | SEBI setup L. C. Gupta Committee to draft a policy framework for index futures. |
| 11 May 1998 | L. C. Gupta Committee submitted report. |
| 7 July 1999 | RBI gave permission for OTC forward rate agreements (FRAs) and interest rate swaps |
| 24 May 2000 | Nifty was chosen for trading futures and options on an Indian index. |
| 25 May 2000 | SEBI gave permission to NSE and BSE to do index futures trading. |
| 29 August 2008 | Trading of Currency futures at NSE |
| 1 st & 7 th October 2008 | Trading of Currency futures at BSE and MCX |
| 27 February 2018 | Trading of Cross currency futures and Option in CD Segment |

REVIEW LITERATURE

Adrangi and Chatrath (1998) studied the impact of currency futures commitments and found that the overall growth in currency futures commitments has not caused exchange rates to be more volatile. This paper has checked whether the data is stationary or non-stationary. They concluded that margin requirements that penalize speculators and small traders may serve to promote stability in the market.

Sarang VK (2013) has analyzed the impact of exchange rate volatility in India and also the business growth of the number of contracts entered in NSE for a stipulated period of time. In order to analyze the volatility stationarity test has been conducted and to prove the hypothesis ARCH model is been implemented.

Aabha S Singhvi and Rutu A Pandya (2016) has analyzed the impact of currency value on the stock market and also theoretical concept of currency derivative market. In order to prove the hypothesis the researcher has used ARIMA model where the results have found a significant impact on past and present currency value in a particular economy.

Rew, Brooks and Ritson (2001) investigated the lead-lag relation for FTSE 100 index for 1996-1997 by incorporating error correction model, error correction model with cost of carry, ARIMA and VAR. The researchers have compared the forecasting ability of models, and different trading strategies under error correction model with cost of carry models. After analyses the researcher have concluded that leading power of futures market have underlined higher predictive ability of error correction model.

Ankita Srivatsava (2015) has analyzed the factors effecting the usage of currency derivative with special reference to India. The analysis has been conducted on 83 non-banking Indian firms which revealed a high growth opportunity.

NEED FOR THE STUDY

The trend graph of currency market shows a drastic increase in the number of contract entered by the investors over the decade which emphasizes on more effective ways for better analysis of currency movements as the underlying asset is highly uncertain in nature.

OBJECTIVES OF THE STUDY

1. To study the concept and evolution of currency derivative in India.
2. To understand the working of currency futures.
3. To analyze the impact of past currency future prices on derivative market.

HYPOTHESIS

H_0 = There is no significant impact of past currency future rates on the value of currency in the market at present.

H_1 = There is a significant impact of past currency future rates on the value of currency in the market at present.

RESEARCH METHODOLOGY

Type of research: Analytical

Method of data: Secondary

Sources of data: The data is collected from websites like nseindia.com and rbior.com in order to derive the daily currency price movements for a period of five years from 2013-2017. Other theoretical information are taken from books and research articles.

Testing of Hypothesis: Time series ARIMA has been used to prove the hypothesis framed

Limitation of the study: This paper has analyzed only three major currency pairs with Indian currency for a limited period of five years (2013-2017).

RESULTS AND INTERPRETATION

Following are the currency pairs analyzed in the study USD-INR, EUR-INR, GBP-INR and JPY-INR. In NSE the price of future contract is in terms of INR per unit of other currencies. The study has considered the currency contract closing prices and Nifty 50 closing prices for a period of five years from 2013-2017. After data collection stationarity test is conducted and ARIMA model has been tested with SPSS Software.

Currency Pair 1: USD-INR: Contract _CP and Nifty 50_CP

Model Description: Table-1

| | | Model Type |
|------------|---------|---------------|
| Model IDV4 | Model_1 | ARIMA (1,0,1) |

Model Statistics: Table-2

| Model | Number of Predictors | Model Fit Statistics | Ljung-Box Q(18) | | | Number of Outliers |
|----------------|----------------------|----------------------|-----------------|----|------|--------------------|
| | | Stationary R-squared | Statistics | DF | Sig. | |
| V4- Model_1 | 1 | .990 | 35.807 | 16 | .003 | 0 |

Interpretation: From the above table the coefficient of correlation value is 0.990 which is evident that the relationship between contract closing price and Nifty closing price has a high degree of correlation. the significance value is 0.003 which is less than 0.05 and hence proves that there is a significant impact of past contract closing prices of USD-INR on Nifty 50 closing price.

Currency Pair 2: EUR-INR: Contract _CP and Nifty 50_CP

Model Description: Table-3

| | | Model Type |
|------------|---------|---------------|
| Model IDV2 | Model_1 | ARIMA (1,0,1) |

Model Statistics: Table-4

| Model | Number of Predictors | Model Fit statistics | Ljung-Box Q(18) | | | Number of Outliers |
|------------|----------------------|----------------------|-----------------|----|------|--------------------|
| | | Stationary R-squared | Statistics | DF | Sig. | |
| V2-Model_1 | 1 | .983 | 68.953 | 16 | .000 | 0 |

Interpretation: The coefficient of correlation value is 0.983 which states that the relationship between contract closing price and Nifty closing price has a high degree of correlation. the significance value is 0.000 which is less than 0.05 and hence proves that there is a significant impact of past contract closing prices of EUR-INR on Nifty 50 closing price.

Currency Pair 3: GBP-INR: Contract _CP and Nifty 50_CP

Model Description: Table-5

| | | Model Type |
|------------|---------|---------------|
| Model IDV4 | Model_1 | ARIMA (1,0,1) |

Model Statistics: Table-6

| Model | Number of Predictors | Model Fit statistics | Ljung-Box Q(18) | | | Number of Outliers |
|------------|----------------------|----------------------|-----------------|----|------|--------------------|
| | | Stationary R-squared | Statistics | DF | Sig. | |
| V4-Model_1 | 1 | .989 | 35.267 | 16 | .004 | 0 |

Interpretation: From the analyses it is clear that the coefficient of correlation value is 0.989 which states that the relationship between contract closing price and Nifty closing price has a high degree of correlation. the significant value is 0.004 which is less than 0.05 and hence proves that there is a significant impact of past contract closing prices of GBP-INR on Nifty 50 closing price.

CONCLUSION

Trading in Currency derivative market investment in India has passed a decade. The business growth of this segment has drastically increased in terms of turnover and the number of contracts entered by the investors (Number of contracts increased from 3,26,72,768 in the year 2008-09 to 78,42,40,793 in the year 2018-19 *Source: NSE*). Cross currency options market has begun this year in India in the month of February with the approval of SEBI. This paper has focused on analyzing only Indian currency paired with three currencies USD, EUR and GBP and from the analysis it is proved that there is a significant impact on past currency future rates on the value of currency in the market at present. As currency is a volatile instrument to be traded in the market investors can make use of the informational linkage in order to analyze the spot and future prices of paired currencies and can act as a speculator, arbitrageur for hedging their risk.

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A CASE STUDY ON GROWTH PROSPECTUS AND CHALLENGES OF MEDIUM SCALE INDUSTRIES IN INDIA

Dr. B. A. Anuradha and Prof. Saira Banu NeelgarManagement Department, Al-Ameen Institute of Management Studies, Bengaluru

ABSTRACT

This research paper explains the Growth prospects and challenges of Medium Scale Industries in India. Medium Scale Industry has emerged as a highly vibrant and dynamic sector in the Indian economy over the last five decades. Medium enterprises not only play a crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help industrialization of rural and backward areas, thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth. Medium enterprises are complementary to large industries as ancillary units and this sector contributes enormously to the socio economic development of the country. Medium enterprises in India are slowly changing from low technology orientation to users of modern technology; however the sector continues to be characterized by a large diversity in technology base. The Indian Medium enterprises are recognized as a major contributor in the economic growth. It is said to be the backbone of the Indian economy. It has provided resilience to ward off global economic shocks and adversities. Nearly, 20% of the Indian Medium enterprises are based in the rural areas of India and continues to provide employment opportunities to nearly 40% of India's labor force. According to Reserve Bank of India (2017), in the year 2015–16, Medium enterprises sector comprised of more than 51 million enterprises, employing more than 117 million persons. Keywords: Gross Domestic Product (GDP), Enterprise Medium Enterprises, Economic development, Economy, Export and Employment.

INTRODUCTION

The medium scale industries have been accepted as the engine of economic growth and a very important source leading to equitable development. The Medium Enterprises constitute an important segment of the Indian economy in terms of their contribution to the country's industrial production, exports, employment and creation of entrepreneurship base. The primary responsibility for promotion and development of Medium Scale Industries lies with State Government. However, the Government of India has always taken active interest in supplementing the efforts of the State Governments. The future of Medium Scale Industries is of major policy concern given their strategic importance in any discussion of reshaping the industrial sector. This is more so in case of India, which has one of the longest histories of government support to the sector since independence compared to most developing countries. The medium-scale industries sector plays a vital role in the growth of the country. It contributes almost 45% of the gross industrial value added in the Indian economy.

The statistics provided by the annual reports of Ministry of Medium Enterprises shows a rise in the plan amount spent on the khadi sector from ₹194.27 crore to ₹1454 crore, and non-plan amounts from ₹43.7 crore to ₹229.1 crore, in the period from 1994–95 to 2014–2015. The interest subsidies to khadi Sectors increased from ₹9.63 crore to ₹31.45 crore in this period.

Medium scale industries

Medium Scale Industry Units with Investment in plant and machinery in excess of small scale industries limit up to 10 crores treated as medium scale industries. The Medium Scale Industries development Act 2006 has changed in the concepts of medium scale industries engaged in the manufacturing /production of the goods and engaged in providing /rendering services.

Manufacturing Enterprise

Manufacturing Enterprise has been defined in terms of investment in plant and machinery. A unit is called medium Enterprise if the Medium Enterprise the investment is above Rs.5 crore and up to Rs.10 Crores.

Services Enterprises

Services Enterprises for a Medium Enterprises, the ceiling on investment range of Rs 2 crore to 5 crore.

LITERATURE REVIEW

Prathajet Das (2017) This Research area said Micro Small and Medium Enterprises in India with the objectives to focus on the huge growth and potential and opportunities available for development of this sectors and to know the issues and challenges of marketing, conceptual research on small and medium scale industries in India.

Panthasanathi Senapathi (2014) This research paper said that marketing of small business India to know the various marketing practices applicable to Small and Medium Enterprises in India and access the innovative marketing practices of medium scale industries and challenges of marketing practices of medium scale industries with conceptual study in India.

Emmanuel Ayuba Kuwa (2014) Research on effects of Marketing strategies and 4Ps and performance of small and medium enterprise to determine the effects of marketing strategies and elements on performance of small and medium enterprises different concept and sampling had been used in research and less focus on product strategies and pricing strategies.

Prof. Ramesh Chandra (2002) This research paper said that strategy of an organization is the definition and implementation of its purpose. According to him, to be successful in all commercial business and public sectors and not-for-profit activities, there are elements which must be present; there are rules that must be followed, and sources of strategy to be found. Through their market activities, firms contribute to social well-being by meeting consumer demand, providing jobs, developing new products, and paying taxes that fund public programmes.

David P. Baron (2003) has said that attention to consumer demand is a sound business practice and requires no justification other than the remuneration it provides. This is true that in today's business world, competition is high everywhere else. Those who care for their customers will survive and vice versa.

Cassar and Holmes (2003) investigated the determinants of capital structure and use of financing for small and medium enterprises in Australia. The study empirically examined the firm characteristics including: size, asset structure, profitability, growth and risk. The study suggested that asset structure, profitability and growth are important determinants of capital structure and financing of Medium Scale industries, (2004) case study recommended that the financial institutions should minimize the procedural formalities in granting financial assistance to the modern small units as far as practicable. The instance of the financial institutions should be on viability of the project rather than on security offering capacity of the entrepreneurs.

OBJECTIVES OF THE STUDY

1. To study the Overview Of Medium Scale Industry in India
2. To Know the Growth Prospects of Medium Scale industry
3. To Know the Challenges of medium scale industry in India

SCOPE OF THE RESEARCH

The research for the present study will be limited only in India in manufacturing industries growth and prospects of medium Scale industries In India

VARIOUS ORGANIZATIONS FOR ASSISTING MEDIUM SCALE ENTERPRISES

Various organizations have been set up by the central and state government and banks to support the development of medium scale enterprises the main organizations are as follows.

A. Central Government

National Medium Industries Corporation limited (NMIC). National Institute for Micro, Small and Medium Enterprises (NIMSME)

B. State Government

District Industries Centers (DIC) State Financial Corporation's (SFCs) State Industrial Development Corporation/ State Industrial Investment Co-operations (SIIDC/SIIC) State Small Medium Development Corporation (SSIDC) Khadi and Village Industries Commission (KVIC).

C. Financial institutions/ Banks

Industrial Development Bank of India (IDBI), Commercial Bank Regional Rural Bank Co operative Bank National Bank for Agriculture and Rural Development (NABARD)

D. Organizations promoted by the government/banks/financial institutions

Technical Consultancy Organization in various states, Credit Guarantee Fund Trust for Medium Industries India Asset Re-constructing Company.

E. Industry Associations

Consortium of Women Entrepreneurs in India (ICWEI) Confederation of Indian Industry Federation of Indian Chamber of Commerce and Industries (FICCI) Associated Chamber of Commerce and Industries in India (ASSOCHAM) World Association of Medium Enterprises (WAME) Federation of Association of Small Scale Industries (FASSI).

SUMMARY RESULTS: FOURTH ALL INDIA CENSUS OF MEDIUM INDUSTRY

| Sl no | Characteristics | Registered sectors | Unregistered sectors |
|-------|---|--------------------|----------------------|
| 1 | Size of sector (in lakh) | 15.64 | 198.74 |
| 2 | No of rural units (in lakh) | 7.07 (4.5.20%) | 119.68 (60..22%) |
| 3 | No of women enterprises (in lakh) | 2.15 (1.72%) | 18.06 (9.09%) |
| 4 | Total employment (in lakh) | 93.09 | 408.84 |
| 5 | Per unit employment (in lakh) | 5.95 | 2.06 |
| 6 | Total original value of plant & machinery (in lakh) | 10502461 | 946960 |
| 7 | Per unit original value of plant and machinery (in lakh) | 6.72 | 0.48 |
| 8 | Total fixed investment (in lakh) | 44913840 | 2401646 |
| 9 | Per unit fixed Investment (in lakh) | 28.72 | 1.21 |
| 10 | Total gross output (in lakh) | 7071027 | 3697029 |

Source: ministry of medium scale industries,

PERFORMANCE OF MSME, EMPLOYMENT AND INVESTMENTS

| Sl no | Year | Total working enterprises (in lakhs) | Employment(in lakh) | Market value of fixed assets (in crore) |
|-------|-----------|--------------------------------------|---------------------|---|
| 1 | 2006-2006 | 361.76 | 805.23 | 868,543.79 |
| 2 | 2007-2008 | 377.36 | 842 | 920,49.84 |
| 3 | 2008-2009 | 393.7 | 880.84 | 977,114.72 |
| 4 | 2009-2010 | 410.8 | 921.79 | 1,038,546.08 |
| 5 | 2010-2011 | 428.73 | 96.15 | 110,934.09 |
| 6 | 2011-2012 | 447.64 | 1011.69 | 1182,757.64 |
| 7 | 2012-2013 | 467.54 | 1061.40 | 1268,76663.67 |
| 8 | 2013-2014 | 488.46 | 1114.29 | 1363,700.54 |
| 9 | 2014-2015 | 510.57 | 1171.32 | 1,471,912.94 |

CONTRIBUTION OF MEDIUM SCALE SECTOR IN THE GROSS DOMESTIC PRODUCT

As per the revised methodology suggested by CSO, MoSPI, on the basis of the data on Gross Domestic Product (GDP) published by CSO, MoSPI and final results of the latest Census(Fourth Census), the estimated contribution of MSME sector to GDP and Output, during 2006-07 to 2012-13, are as noted below

| Year | Gross value of output of medium manufacturing sectors (in crore) | Manufacturing sector | Service sectors | Total | Share of medium manufacturing output in total manufacturing output (%) |
|---------|--|----------------------|-----------------|-------|--|
| 2006-07 | 1198818 | 7.73 | 27.40 | 35.13 | 42.02 |
| 2007-08 | 1322777 | 7.81 | 27.60 | 35.41 | 41.98 |
| 2008-09 | 175589 | 7.52 | 28.60 | 36.12 | 40.79 |
| 2009-10 | 1488352 | 7.4 | 28.60 | 36.05 | 39.63 |
| 2010-11 | 1653622 | 7.39 | 29.0 | 36.69 | 38.0 |
| 2011-12 | 1788584 | 7.27 | 30.70 | 37.97 | 37.47 |
| 2012-13 | 1809976 | 7.04 | 30.50 | 37.54 | 37.33 |

MARKETING CHALLENGES FOR MEDIUM SCALE INDUSTRIES

□ **Growing Revenue (45%):** Growing revenue is almost as much of a concern for medium-sized businesses as for small ones. Existing in this range is tenuous, as expenses tend to increase dramatically rather than

incrementally, so revenue drains like retail shrink, charge backs, and waste can really hurt. Greater revenue provides more protection against these shocks.

□ **Hiring Employees (45%):** This stage in a business's development is when hiring employees starts to become a primary concern. Businesses need a larger workforce in order to continue growing.

□ **Employee Healthcare (40%):** Once a business hires their 50th employee, the Affordable Care Act provision kicks in, requiring that employer to begin offering health insurance to her employees. This is one of those dramatic new costs associated with rising to the level of a medium-sized business, one which seems daunting for business owners who still have a small business mentality.

□ **Government Regulation (36%):** As businesses grow to this level, the list of government regulations to which they must adapt also quickly grows. This includes everything from laws concerning consumer data security to minimum wage increases. Many businesses will feel growing pains as they scramble to fit within their new regulatory guidelines and face these expanding business challenges.

□ **Increasing Profit (32%):** Increasing profit is less of a concern at this level than on the small business scale. Think of it like an airplane. When a business is starting out, it needs to aim high and try to gain altitude as quickly as possible; but once in the air, it's about achieving stability more than rapid growth.

PROBLEMS OF MEDIUM SCALE INDUSTRIES

The Medium industries have been given priority for generating more employment opportunities and thereby increase the income generation for bringing a transition in the development of the economy. It has also been pursued for promoting the entrepreneurial talents and skills, and to utilize the resources and factor endowments to accelerate the process of industrialization in a development economy so as to increase the volume of output to meet the requirements of the people for improving the quality of life. The pursuit of economic liberalization and that of the industrial policy reforms, envisages the development of the small industry further by increasing the technological capabilities and competitiveness. Institutional agencies have been set up for providing technical, infrastructure, financial and other services, and promotional measures.

RECOMMENDATIONS AND STRATEGIES FOR REVIVAL OF MEDIUM SCALE INDUSTRIES IN INDIA

1. Simple financing structure should be available to medium enterprises that they can grow in the competitive era
2. Medium scale industries develop their capabilities in manufacturing to meet the quality ,technology and services in global economy
3. Cottage industries be encouraged to grow and become competitive.

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INVESTORS PERCEPTION ON POST OFFICE SAVING SCHEMES-WITH REFERENCE TO BANGALORE CITY

Dr. V. G. JishaAssistant Professor, Department of Management, Kristu Jayanti College, Bengaluru

ABSTRACT

The research study is based on the perception of the respondents in using various post office saving schemes in Bangalore city. The objectives of the study is to analyse the various schemes provided in India post and to analyse the effectiveness of the services in postal service. The study was conducted in Bangalore city. The data was collected through questionnaire among 100 respondents. The research was focused on the various schemes in post office services. The scope of the study is extended to know the usage Post Office and their saving schemes. The study can be used as a tool to create awareness of Saving Schemes among the people, and also to find how the Postal saving schemes had reached the people.

INTRODUCTION

The Post Office Saving Schemes basically started for rural development motive, now days the people are lagging to save in post office because of other saving banks and more schemes are available in our country with high interest to pay the people, so this study is about the perception of the people about the Indian Postal Service and to create the awareness among the people about the Saving Schemes and various Services provided by the India Post.

Indian Postal Service functioning under the brand name India Post, is a government operated postal system in India; it is generally referred to within India as “the post office”. In order to promote household savings, Govt. of India has established National Savings through Post Offices. The Post Office savings Bank is now the biggest bank serving the smallest man in the country and truly called the peoples Bank. It has a network of about 1,54,882 branches doing savings bank throughout India out of which 1, 39,182 branches are in rural sector serving the simple needs of rural population. It has a long history dating back to 1882. In the beginning the objective of POSB was to encourage the habit of thrift among common man but the concept undergone a radical change during last three decades. From the restricted objective of providing a facility to public to deposit their small savings, it has become a medium of mobilizing large resources running into hundreds of cores every year for plan project. 38% of the total collection on small savings in the country are drawn from the rural population. It has penetrated the farthest and isolated villages in India. Post Office savings bank is now a major instrument available to the Govt. for mopping up savings both in the urban and rural areas.

Today Indian Postal Service provide many facilities like – general or registered mail, parcel post, speed post, express post, e – post and special courier service known as EMS – speed post. They also offer a number of Post Office Saving Schemes like National Saving Certificate, Recurring Deposit and Term Deposits.

After Independence, the Indian Government broadened the vision of the Postal System to reach the entire population of the country. Due to the modernization various changes has taken place in the Postal Department.

FINANCIAL SERVICES OFFERED BY INDIA POST**Savings Account**

- Savings Bank account is opened with a the Minimum balance of ₹ 50/- for ordinary account and ₹ 500/- for cheque Account.
- Rate of interest of 4% per annum.
- Cheque facility is available.
- Cheque is accepted by all banks.
- Nomination facility is available.
- At least one transaction of deposit or withdrawal in three financial years is necessary to keep the account active
- Any number of accounts can be opened limited to one per post office.

Time Deposit Account (TD)

In Time Deposit Account, the depositor makes one lump sum deposit of ₹. 200/- or in multiples of ₹. 200/- for a fixed term of 1 year, 2 years, 3 years or 5 years. The interest is paid once in a year at the rate prescribed on completion of the period. The deposit amount is repaid premature closure is permitted after 6 months and within year and no interest will be paid procedural rules are as for Savings Account.

Features

- Any individual (a single adult or two adults jointly) can open an account.
- The term of deposit shall be 1 year, 2 years, 3 years or 5 years.
- There is no limit for deposit.
- Interest is payable annually but calculated quarterly.
- Any number of accounts can be opened.
- An account on maturity may be extended for a future period 1 to 5 years.
- The account can be pledged as security.
- Post maturity interest shall be allowed for a maximum period 2 years at savings account rate.

Recurring Deposit (RD)

Recurring Deposit accounts provide for monthly deposit maturing at 5 years. The depositor opens RD account with a definite denomination, goes on depositing every month for a period of 5 years and gets a sizeable amount at the end of the term. Since the deposit is 'recurring' is mature every month, the scheme is named as Recurring Deposit. Premature closure is permitted after one year on SB rate of interest. This scheme is very popular among salaried people.

Features

- May be opened by single adult, guardian on behalf of a minor or minor of age 10 years or more.
- Account may be opened in the denomination of multiples of ₹. 5/- with minimum of ₹10/-.
- Any number of accounts may be opened.
- There is no maximum limit of deposit.
- Deposit may be made on any working date in the month.
- The accounts will be treated as discontinued when the number of defaults exceed four.
- Defaults can be paid within two months.
- The account on maturity can be extended for a future term of 5 years with or without deposit.
- Post maturity interest is paid prescribed rate.
- Part withdrawal facility available.

Monthly Income Scheme (MIS)

In the Monthly Income Scheme accounts depositor make one lump sum deposit for a period of 6 years of ₹1,500/- as multiples of ₹. 1,500. The depositor gets monthly interest from the very next month of the deposit. After maturity, he will get back the deposit amount with an additional 10% as bonus. Premature closure is permitted after one year. The procedural rule are as for savings accounts. There is no concession for Income Tax.

Features

- An account may be opened by an individual adult 2 or 3 adult jointly or a guardian on behalf of a minor.
- In the Monthly Income Scheme accounts depositor make one lump sum deposit for a period of 6 years of ₹. 1,500/- as multiples of ₹. 1,500.
- Maturity period – Six years.
- Income by means of interest up to ₹. 12,000/- is exempted for payment of Income Tax under section 80L of IT Act.
- Safe and sure way to get a regular monthly income.

Public Provident Fund Scheme (PPF)

Public Provident Fund Scheme is a statutory scheme. Under this scheme self employed person, like doctors, agriculturists, lawyers, merchants can avail the facility of Provident fund with effect from 1.7.1968. P.P.F. account can be opened in the State Bank of India and its subsidiaries. Head Post Office and certain authorized

branches of National Banks and such Post Office which are authorized to open PPF account by head of circles regional PMG.

Features

- The account may be opened by individual guardian on behalf of minor.
- The account carries an interest at the rate of 8% per annum.
- Investment up to ₹. 1,50,000/- per annum qualified for IT rebate under section 80 C of IT Act.
- A minimum deposit of ₹. 500/- is compulsory in a financial year.
- 12 deposits can be made in a year.
- Deposit by cheque /cash including outstation cheques may be opened.
- Account will be treated as discontinued if the minimum deposit of Rs. 500/- is not made in financial year.
- Surcharge at the rate of ₹. 50/- will be levied on discontinued accounts.
- Deposits made on behalf of wife or minor children will be treated a deposit made by the investor himself.
- Only one account, either in Post Office or in Bank only may be opened.

Senior Citizens Savings Scheme (SCSS)

Any person who is of 60 years & above person who has attained the age of 55 years or more but less than 60 years who has retired under VRS on the date of opening the account. He can open the account within three months from the date of retirement. Person should attach the certificate along with application for opening the accounts from the employee indicating the fact of retirement under such VRS retirement benefits, employment held long the with period of such employment.

Features

- NRI and HUF cannot open the account
- Joint account can be opened only with Spouse.
- Depositor should produce certificate for age proof, PAN and two photographs while opening the accounts.
- Deposit can be made by cash or cheque if the amount of deposit is more than one lakh deposit should be made only by cheque.
- Depositor may operate more than one account in multiples of ₹ 1,000/- subject to the condition that the balance in all the accounts taken together shall not exceed the maximum limit ₹15 lacks. Not more than one account opened in the same Post Office in the same calendar month.
- The account carries interest of 9% per annum. Interest shall be payable quarterly on March 31, June 30, September 30 and December 31, unclaimed interest will not earn any interest ₹.2,250/- will be paid at the end of each quarter on a deposit of ₹. 1,00,000/-
- Interest can be automatically credited to SB account if the SB account is also opened in the same Post office.

Sukanya Samriddhi Accounts

It is a small deposits schemes for a girl child. This account can be opened at any time after the birth of the girl child and before the age of 10 years. The account can be opened with a minimum deposits of ₹ 1000 and maximum of ₹ 1,50,000. This account is operative till 15 years from the date of opening the account.

OBJECTIVE OF THE STUDY

- To study the various schemes and service provided by Post Office to customers.
- To analyze the effectiveness of service of India Post.
- To know the problems connected with the service provided by the Postal Saving Schemes.

SCOPE OF THE STUDY

The scope of the study narrowed down the research to the Coimbatore city. The study helps us to identify the consumer preference and attitude towards the Indian Postal Saving Schemes.

The research is carried to support for better understanding the satisfaction level in usage of Postal Saving Schemes. The scope of the study is extended to know the usage Post Office and their saving schemes. The study

can be used as a tool to create awareness of Saving Schemes among the people, and also to find how the Postal saving schemes had reached the people. So the Indian Postal Service can be developed.

RESEARCH METHODOLOGY

Research methodology is a systematic way to solve a research problem. It may be understood as a science of studying how research is done scientifically. It includes the overall design, the sampling procedures, data collection method and analysis procedures.

SAMPLING PROCEDURE

The research design of the study is a descriptive research. The descriptive research studies are those studies which are concerned with describing the characteristics of a particular individual or a group. The study is concerned with specific predictions with narration of facts and characteristics concerning individual group or situation are all examples of descriptive research studies.

AREA OF THE STUDY

The sample adopted was the people residing in Bangalore city.

TOOLS OF COLLECTING

The data was collected through a questionnaire consisting of 22 questions which are containing the Postal Saving Schemes and the problem faced by the respondents. A 100 questionnaire was issued for collecting the data to know the respondents awareness and the problems faced through the Postal Saving Schemes. The questions are based on the ranking method and the satisfaction and dissatisfaction of the respondents on Postal Saving Schemes.

SAMPLING TECHNIQUES

The technique used for research is probability sampling technique because the people are finite. The sampling technique selected for the people is convenient sampling technique. Because, the researcher knew that there are innumerable people residing in bangalore city, the researcher conducted the study only with the few people in Bangalore city.

LIMITATIONS

- The universe being large the study was restricted to residents residing in Bangalore city.
- The result may not be very accurate because of the response of 100 respondents.
- Insufficiency of Time.
- There is a possibility of ambiguous replies or omission of replies for certain questions, analysis of omission is difficult

REVIEW OF LITERATURE

Vajda, S. ; Pal, U. ; Chaudhuri, B.B¹ A system for word-wise handwritten script identification for Indian postal automation," Postal automation is a topic of research over the last few years. There are many works towards the postal automation in USA, UK, Japan and Australia, but for Indian postal automation there is no significant work. This paper deals with word-wise handwritten script identification for Indian postal automation. In the proposed scheme at first document skew is detected and corrected.

Roy, K.; Pal, U.; Chaudhuri, B.B²Postal automation is a topic of research over the last few years. There are many works towards the postal automation in USA, UK, Japan and Australia, but for Indian postal automation there is no significant work. This paper deals with word-wise handwritten script identification for Indian postal automation. In the proposed scheme at first document skew is detected and corrected.

Shri P. Vijaya Bhaskar⁸, Post offices (POs) are closest to the rural people compared to bank branches. As on March 31, 2011, there are 1,54,866 post offices in India, of which 1,39,040 (89.8%) were in rural areas. All round efforts should be made to ensure that Post Offices play a greater and more active role due to known advantages. Progressively, more POs may be engaged to become BCs of banks due to well-known advantages.

ANALYSIS AND INTERPRETATION

In this study three tools are used for analysis and interpretation to find customer's preference towards the Indian Postal Saving Schemes. The following are the three tools;

- Percentage analysis
- Weighted average Score Method
- Chi-Square test

PERCENTAGE ANALYSIS

Gender: 68 of the respondents belongs to Female Gender. 32 out of 100 respondents are Male.

Age: 46 respondents are aged from 20 – 30 years, 22 per cent of them are aged below 20 years, 17 out of 100 are from the age group 30 – 40 years and only 15 respondents are seniors who are above 40 years.

Marital status : 52 per cent of them are unmarried while 48 out of 100 are married.

Occupation: 41 of the respondents are Students, 14 per cent of them are Private employees, 11 out of 100 are Home maker's, 10 of them are doing Business, 9 per cent of them are Government Employees and Agriculturalist and only 6 of them are Professionals.

Income Level: 28 of the respondents are from Rs. 10000 to 15000 income level, 26 per cent of have income less than Rs. 5000, 23 out of 100 respondents are from Rs. 5000 – 10000 income level and also earn above Rs. 15000.

Frequency of Visiting: 71 respondents occasionally visit the post office, 18 per cent of them regularly visit the post office and only 11 out of 100 not even visited the post office.

Awareness: 78 of the respondents are aware about the Postal Saving Schemes and 22 per cent of the respondents are unaware of the Postal Saving Schemes.

Source of Information: 46 % respondents are got the information by visit to Post Office, 18 of the respondents are obtained knowledge through Educational Institutions, 12% respondents are collected information from Agents and Advertisement, 11% respondents are collected information from Friends & Relatives and 1 of the respondent obtained the information through Media

Deposits: 33 of the respondents made the Postal Savings once a year, 30 out of 100 respondents made the savings once in a month, 24% of the respondents saved in Post Office once in 6 months and only 13 of the respondents made the savings once in a week.

Saving Schemes Preferences: 30 of the respondents liked Saving Bank Accounts, 19 per cent preferred Recurring Deposit Account, 18 out of 100 respondents preferred Public Provident Fund , 17 of the respondents liked Sukanya Samirithi and remaining 2 out of 100 preferred senior citizen scheme and the 6 Time Deposit Accounts and 8 with National certificate schemes

Inconveniences: 23 respondents have the problem of money transfer and lack of infrastructure, 20 per cent of the respondents faced the problem of no lending facility, 17 out of 100 respondents have the problem of lack of employees, 12 respondents have the problem of closing an account and only 5 per cent of the respondents faced the problem of opening an account with the Indian Postal Saving Schemes.

WEIGHTED AVERAGE SCORE METHOD

Average score was obtained for each level of behavior of respondents towards post office saving schemes. For this purpose a 5 point scaling procedure was used. The score 5 for strongly agree, score 4 for agree, score 3 for the neutral, score 2 for the disagree and score 1 for strongly disagree. Based on the scores average score was calculated for each level of behavior of respondents towards Postal Saving Schemes...

Table showing perception of respondents towards Postal Saving Schemes

| Perception | SA | A | N | DA | SDA | Total score | Weighted average score | Rank |
|---|----|----|----|----|-----|-------------|------------------------|------|
| Postal system is the only source of effective communication | 36 | 18 | 18 | 17 | 11 | 351 | 70.2 | 2 |
| Postal office savings is a good system of investing money. | 11 | 53 | 24 | 10 | 2 | 361 | 72.2 | 1 |
| It is highly preferable to invest in gold coin through post office. | 16 | 25 | 48 | 7 | 4 | 342 | 68.4 | 4 |
| Do you believe that the systematic saving is easier efficient way of saving | 20 | 34 | 21 | 23 | 2 | 347 | 69.4 | 3 |
| The procedure for opening an account in postal saving schemes are easier as compared to commercial banks. | 13 | 29 | 36 | 10 | 12 | 321 | 64.2 | 5 |

From the above table it is ascertained that Post office savings is a good system of investing money by the respondents whose average score was (72.2), next comes the Postal system is the only source of effective communication (70.2), followed by the systematic saving is easier efficient way of saving (69.4), next the highly preferable to invest in gold coin through post office (68.4) and (64.2) finally the procedure for opening an account in postal saving schemes are easier as compared to commercial banks. It is clear that the majority of the respondents are given importance for the postal savings is a good system of investing.

CHI-SQUARE TEST

NULL HYPOTHESIS (H_0) There is insignificance relationship between the preference of saving schemes and by whom it is mostly preferred.

ALTERNATIVE HYPOTHESIS (H_1) There is a significant relationship between the preference of savings schemes

| PREFERNCE OF POSTAL SAVING SCHEMES * BY WHOM THE SCHEMES ARE MOSTLY USED | | | | | |
|--|---------------------------------------|--------------------|----------|------------|-------|
| SAVING SCHEMES | PERSON'S PREFERENCE OF SAVING SCHEMES | | | | |
| | SENIOR CITIZEN | MIDDLE AGED PEOPLE | STUDENTS | HOME MAKER | TOTAL |
| Saving bank | 11 | 12 | 5 | 3 | 31 |
| Recurring Deposit | 4 | 8 | 4 | 3 | 19 |
| National certificate | 3 | 10 | 1 | 2 | 16 |
| Public Provident fund | 5 | 7 | 5 | 1 | 18 |
| Senior citizen scheme | 5 | 0 | 3 | 1 | 9 |
| Time deposit | 2 | 3 | 1 | 1 | 7 |
| Total | 30 | 40 | 19 | 11 | 100 |

$$\chi^2 = \sum \frac{(O - E)^2}{E}$$

INFERENCE

Therefore the calculated value is greater than table value, the null hypothesis is rejected. There is alternative significant between the preference of saving schemes by the people. Majority of the respondents preference of Saving bank account and middle aged people use the saving schemes.

FINDINGS

- Female respondents are fully aware of Indian Postal Saving Scheme.
- Most of the respondents are from 20 – 30 years of age who have made use of Indian Postal Saving Schemes.
- 52% of the respondents are unmarried.
- Respondents who use the Postal Saving Schemes are youngsters
- Majority of the respondents are Graduate.
- Respondents earn income ranging between Rs. 10001 – 15000.
- 71% occasionally visit the India Post.
- Maximum respondents aware about the Indian Postal Saving Schemes.
- Information collected through a visit to Post office by the respondents.
- Respondents made the savings only once in a year.
- At most 57 % of the respondents save in post office for their future needs.
- Respondents opt Banking service as their source of savings.

-
- Majority of the respondents preferred Saving Bank Account in Postal Saving Schemes.
 - Majority 56 respondents told that return on investment is higher compared to commercial bank.
 - 23 of the respondents have the problem of money transfer and lack of infrastructure.
 - Service by the Postal Department towards Postal Saving Schemes are considered very good by the respondents.

SUGGESTIONS

- The rate of interest is to be increased.
- It has to provide ATM facilities, so that saver can draw money when & where they required.
- Improve the communication with customers.
- To provide better service, Post Office has to be computerized and is Post Office had to increase working hours.
- Existence of Internet facilities to all the Post office in the Country.
- Introduce new schemes to satisfy different customers.
- Service is very slow. It must be speed up.

CONCLUSION

The post office would have to evolve specific strategies to expand the out reach of their services in order to promote financial inclusion. Technology can be a very valuable tooling providing access to Post Office products in remote areas. The public savings play an important role in the development of a Country. Therefore, in India people have got savings there have been collected by offering various attractive schemes by the Post Offices. There is certain short coming in the service offered by the Post Office as revealed by the sample of respondents. Government economic and commercial activities for all development of the Country.

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PURCHASE BEHAVIOUR TOWARDS FMCG BY CONSUMERS IN PUDUCHERRY: AN EXPLORATORY FACTOR ANALYSIS

G. Bala Sendhil KumarFaculty, School of Management, Kristu Jayanti College (Autonomous), Bengaluru

ABSTRACT

The importance of promotional offers and the availability of brand preference are important that companies must give it sufficient consideration before they plan and implement their marketing strategies. The FMCG sector is a very dynamic sector. A major goal is to satisfy the needs and wants of consumer and their target markets more effectively and efficiently. This article highlights the purchase behaviour of consumers towards Fast Moving Consumer Goods (FMCG) in Puducherry.

Keywords: Marketing Strategies, Fast Moving Consumer Goods (FMCGs), Purchase Behavior.

1. INTRODUCTION

The Fast Moving Consumer Goods (FMCG) sector is one of the booming sectors in India. This sector plays a major role in the outstanding growth of the Indian economy in the past decades. This sector comprises of three main segments, which include personal care, household care, food and beverages. Personal care comprises of oral care, hair care, and cosmetics; household care comprises fabric wash and household cleaners; and food and beverages include health beverages, soft drinks, dairy products, chocolates etc., FMCG sector is an important contributor to India's Gross Domestic Product (GDP) and is also the fourth largest sector in the Indian economy. This study is focused on the criteria which determine the purchase decisions of FMCG consumers.

2. LITERATURE REVIEW

The following is the literature review done based on the identified variables related to the topic of the research. Alba, J.W. and Hutchinson, J.W. (1988) aim to study factors affecting customers purchase intention towards branded apparel. Purchase intention is explained in terms of general consumer variables (normative influence, consumer confidence) and brand-specific variables (perceived quality, emotional value). The study by Ajzen, I. and Fishbein, M. (1977) and Solomon, M.R. (1983) throws on the attitudes, values, beliefs and perception of the consumers with regards to the consumption of fast moving consumer goods. To study the brand preference of fast moving consumer goods, the preference and opinion of consumer towards popular brands have been taken into consideration. Post-liberalization, competition intensified in every product line and market, which forced brands to redefine their norms of existence in all industries. In the FMCG industry, especially in competitor sector, there has been severe competition among the MNCs, national and local players. Brand loyalty is determined by several distinct psychological processes of the consumers and entails multivariate measurements Solomon, M.R. (1995). The research by Littler, D. (1998) proved that the FMCG sector is a cornerstone of the Indian economy. This sector touches every aspect of human life. Indian FMCG market has been divided for a long time between the organized sector and the unorganized sector (Sheth, J.N. 1992). Belk, R.W. (2009), says FMCG has seen a surge in their sales in the past few decades in India more and more people are opening up to the idea of experimenting and trying out newer personal care product. This study is an attempt to cover the various factors that influence the buying decision of consumers who plan to purchase and or used personal care product. FMCG sector is the fourth largest sector in India touching everybody life's in every day.

3. OBJECTIVE

The study has been conducted with the objectives to identify the factors related to the purchase behaviour of the FMCG consumers and to know which factor plays an important role in purchase decisions.

4. RESEARCH METHODOLOGY

The study is descriptive in nature. Primary data is collected from consumers of the FMCG using a well-structured questionnaire in Puducherry. The convenient sampling method is used to select the respondents. The questionnaire is first tested for its relevance and content validity through a pilot study. The Cronbach's alpha value is 0.780 which indicates the reliability of the instrument.

5. RESULT & DISCUSSION

The data were analysed using the statistical package SPSS 16.0. Descriptive statistics, Factor analysis and reliability estimates were used for analysis. The various statements are measured by five-point Likert Scale with value 1 for 'Strongly Disagree', value 2 for 'Disagree', value 3 for 'Neither Agree nor Disagree', value 4 for 'Agree' and value 5 for 'Strongly Agree'. The following is the factorisation of variables.

5.1 Factorisation of Purchase Behaviour

The Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett's test for sphericity is used to test the sample adequacy for applying factor analysis. Kaiser recommends values greater than 0.5 as acceptable. Since the value is 0.600, it is a good value and hence we are confident that factor analysis could be appropriate for these data. The Bartlett's test for sphericity is significant hence R-matrix is not an identity matrix. It reveals that there is some relationship between variables and therefore factor analysis is appropriate for these data.

Table-1: KMO and Bartlett's Test

| | | |
|---|--------------------|-------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | .600 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 1.457 |
| | Df | 276 |
| | Sig. | .000 |

Source: Primary Data

The above table shows the KMO value as 0.600 which indicates that the factor analysis is useful with the data. The chi-square value is 1.457, the degree of freedom is 276 and the significant value is 0.000 which is significant at more than 99% level of confidence.

Table 2 shows the variables which are having Eigenvalues greater than one are taken for further analysis. For the purpose of extraction, Principal Component Analysis is used and for the rotation, Varimax rotation is used which is the standard rotation method. The table gives the complete information about deducted factors and the percentage of variance explained by them.

Table-2: Variance explained by Factors

| S. No | Factors | Eigen Value | % of Variance Explained | Cumulative % |
|-------|----------|-------------|-------------------------|--------------|
| 1 | Factor 1 | 2.865 | 11.938 | 11.938 |
| 2 | Factor 2 | 2.372 | 9.885 | 21.823 |
| 3 | Factor 3 | 1.925 | 8.002 | 29.845 |
| 4 | Factor 4 | 1.507 | 6.280 | 36.125 |
| 5 | Factor 5 | 1.414 | 5.893 | 42.018 |

Source: Primary Data

The total variance explained by the three factors with Eigenvalue greater than 1 is 97.143 per cent; remaining variance is explained by other variables. The Factor 1 explains 11.938 per cent of the total variance and occupies the pivot position. This factor alone forms the major consumer behaviour recognised. The variables which are included in each factor are given in the table.

Table-3: Rotated Component Matrix

| Statements | Factors | | | | | |
|--|---------|------|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 |
| FMCG has a strong and distinctive brand compared to competitors | .488 | | | | | |
| I am overall satisfied with FMCG product | .463 | | | | | |
| I consider the brand name as my first choice | .444 | | | | | |
| I get a lot of information and data about health care product on the web | .436 | | | | | |
| I will consider my health advisor always before choosing new FMCG | .435 | | | | | |
| I will choose a product based on product availability and usage among people | .426 | | | | | |
| I will consider value for price paid | .409 | | | | | |
| I believe local brands rather than foreign brands | .371 | | | | | |
| I will continue purchasing FMCG product in nearby future | .367 | | | | | |
| I have a strong preference for FMCG products | .289 | | | | | |
| I am satisfied with the product quality | .260 | | | | | |
| I buy a product based on the discount and offers | | .616 | | | | |
| I really prefer free gifts and voucher | | .477 | | | | |

| | | | | | | |
|--|--|------|------|------|------|--|
| Brand ambassadors are the main source of attractiveness towards the product | | .470 | | | | |
| I will spread positive towards of mouth about FMCG products | | .394 | | | | |
| I believe product design and packaging determine product quality | | .392 | | | | |
| I will give more important to healthy rather than taste | | | .609 | | | |
| I get a lot of information through word of mouth | | | .541 | | | |
| I would like to first prefer low price sample packets | | | .323 | | | |
| I would like to buy a product which is made from natural and environmental sources | | | .388 | | | |
| I will make price comparison with other brands before purchasing | | | | .478 | | |
| I believe the price does not determine a product quality | | | | .452 | | |
| I am emotionally committed to FMCG product | | | | | .542 | |
| I get related to the product through advertisement | | | | | .450 | |

Source: Primary Data

Table-4: Factor Loadings

| Statements | Factor Loading | Factors |
|--|----------------|------------------------------------|
| FMCG has a strong and distinctive brand compared to competitors | .488 | Brand Related Factor |
| I am overall satisfied with FMCG product | .463 | |
| I consider the brand name as my first choice | .444 | |
| I get a lot of information and data about health care product on the web | .436 | |
| I will consider my health advisor always before choosing new FMCG | .435 | |
| I will choose a product based on product availability and usage among people | .426 | |
| I will consider value for price paid | .409 | |
| I believe local brands rather than foreign brands | .371 | |
| I will continue purchasing FMCG product in nearby future | .367 | |
| I have a strong preference for FMCG products | .289 | |
| I am satisfied with the product quality | .260 | |
| I buy a product based on the discount and offers | .616 | Product Related Factor |
| I really prefer free gifts and voucher | .477 | |
| Brand ambassadors are the main source of attractiveness towards the product | .470 | |
| I will spread positive towards of mouth about FMCG products | .394 | |
| I believe product design and packaging determine product quality | .392 | Consumer Preference Related Factor |
| I will give more important to healthy rather than taste | .609 | |
| I get a lot of information through word of mouth | .541 | |
| I would like to first prefer low price sample packets | .323 | |
| I would like to buy a product which is made from natural and environmental sources | .388 | Price-Related Factor |
| I will make price comparison with other brands before purchasing | .478 | |
| I believe the price does not determine a product quality | .452 | Advertisement Related Factor |
| I am emotionally committed to FMCG product | .542 | |
| I get related to the product through advertisement | .450 | |

Source: Primary Data

The factor analysis is based on twenty-four different statements. It is grouped as five factors, namely brand related factor, product-related factor, customer preference factor, advertisement related factor, and price factor. Various statements which are included in each factor along with their loadings are given in the table.

5.2 Frequency Analysis of consumer behaviour

Based on convenience the five-point scale of different factor can be classified into three groups for easy interpretations of data. A number of respondents fall under each category is shown in the following table 5.

Table-5: Frequency Analysis of the Factors

| Factors | Scale 1-2.5 | | Scale 2.6-3.5 | | Scale 3.6-5 | |
|------------------------------------|-------------|----------|---------------|----------|-------------|---------|
| | Frequency | Per cent | Frequency | Per cent | Frequency | Percent |
| Brand Related Factor | 4 | 2 | 45 | 23 | 151 | 75 |
| Product Related Factor | - | - | 19 | 9.5 | 181 | 90.5 |
| Consumer Preference Related Factor | - | - | 1 | 0.5 | 199 | 99.5 |
| Advertisement Related Factor | 2 | 1 | 15 | 7.5 | 183 | 91.5 |
| Price-Related Factor | 2 | 1 | 8 | 4 | 190 | 95 |

Brand related factor

From the frequency analysis table, it is interpreted that 75 per cent of the consumer has strongly agreed that brand-related factor of consumer influences consumer behaviour. 23 per cent of the consumer has moderately agreed that brand-related factor of consumer influences consumer behaviour.

Product-related factor

From the frequency analysis table, it is interpreted that 90.5 per cent of the consumer have strongly agreed that product related factor of employees influences consumer behaviour. 9.5 per cent of the consumer has moderately agreed that product related factor of consumer influences consumer behaviour. 19 per cent of the consumers has disagreed. That illustrates that product related factor of consumers strongly influences consumer behaviour.

Consumer preference

From the frequency analysis table, it is interpreted that 99.5 per cent of the consumers have strongly agreed that consumer preference of consumers influences consumer behaviour. 0.5 per cent of the consumer moderately agreed that consumer preference of consumers influences consumer behaviour. 1 per cent of the consumer has disagreed. That illustrates that consumer preference of consumers strongly influences consumer behaviour.

Advertisement related factor

From the frequency analysis table, it is interpreted that 91.5 per cent of the consumers has strongly agreed that advertisement factor of consumer's influences consumer behaviour. 7.5 per cent of the consumer moderately agreed that advertisement factor of consumers influences consumer behaviour. 15 per cent of the consumer has disagreed. That illustrates that advertisement factor of consumers strongly influences consumer behaviour.

Price factor

From the frequency analysis table, it is interpreted that 95 per cent of the consumers have strongly agreed that price factor of consumer's influences consumer behaviour. 4 per cent of the consumer moderately agreed that price factor of consumers influences consumer behaviour. 8 per cent of the consumer have disagreed. That illustrates that price factor of consumers strongly influences consumer behaviour.

5.3 Order of Various Factors of Purchase Behaviour

To find the most important factor which influences the purchase behaviour of FMCG consumers ranking is used. The mean value of the various factors is given in the following table.

Table 6: Order of various factors

| Factors | Mean | Rank |
|------------------------------------|------|------|
| Brand Related Factor | 4.57 | 2 |
| Product Related Factor | 4.46 | 3 |
| Consumer Preference Related Factor | 4.70 | 1 |
| Advertisement Related Factor | 4.40 | 4 |
| Price Factor | 4.46 | 3 |

Source: Primary Data

The highest mean score of the factor is 4.70 and the lowest mean is 4.40. The factor 'consumer preference factor' is ranked first with the highest mean value. A brand related factor is in the second rank. Product-related factor and price factor is in the third rank with the same mean of 4.46. This shows more than Brand of FMCG, Consumer's own preference plays important role in the purchase of FMCG products.

CONCLUSION

Purchase behaviour of the FMCG Consumers can be explored using five factors, namely brand related factor, product-related factor, customer preference factor, advertisement related factor, and price factor. Though all factors play an important role in consumer purchase decisions, the Consumer's own preference plays a very important role in the purchase of FMCG products followed by Brand related factors.

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**ROLE OF TRAINING IN ENHANCING ORGANISATIONAL COMMITMENT OF EMPLOYEES –
AN EMPIRICAL SUBSTANTIATION**

Dr. Geethu Anna Mathew, Dr. Roshen Therese Sebastian and Prof. Ajai Abraham Thomas

Assistant Professor, Department of Management, Kristu Jayanti College, Bangalore

ABSTRACT

The primary objective of this empirical study is to establish relationship between employee benefits from training and organizational commitment of employees of star classified hotels in Kerala. A survey was carried out among the employees of star classified hotels and the sample size for the study is 160 employees based on convenience sampling. The employee perceptions regarding training is conceptualized within a multi-dimensional framework consisting of benefits from training which includes personal benefits from training, job-related benefits from training, career benefits from training and their relationship with three dimensions of organizational commitment i.e., affective, normative and continuance commitment were analyzed. The hypotheses of the study were tested using correlation analysis and multiple regression analysis. The results revealed that career benefits from training have significant relationship with affective commitment of employees of star classified hotels in Kerala. The implications of the study have been presented for both researchers and human resource practitioners as how to utilize the factors of employee benefits from training to enhance the organizational commitment of employees.

Keywords: Employee training, Employee benefits from training, Organizational commitment

1. INTRODUCTION

Employee training has become increasingly important for hotels to improve service quality, decrease labor costs, increase productivity and profitability, and effectively manage workforce diversity (Kim, 2006). Training can be viewed as a management practice that can be controlled or managed to elicit a desired set of unwritten, reciprocal attitudes and behaviors, including job involvement, motivation, and organizational commitment (Sparrow 1998). Trained employees are more likely to take pride in organizational achievements; believe in the goals; committed to their organizations and values of the organization and, therefore, exhibit higher levels of performance. Organizational commitment is the employee's acceptance, involvement and dedication towards achieving organizational goals. Organizational commitment is commonly conceptualized as a multidimensional construct consisting of three components (Allen & Meyer, 1996; Chen & Francesco, 2003; Johnson & Chang, 2006). An employee with high level of organizational commitment is an asset for the organization because reduced labour turnover and increased performance can be ensured from them. Highly trained, satisfied and committed employees in the hotel industry, delivering high service quality levels to the tourists, is of paramount importance, whereby the employees are often seen as an integral part of the service experience (Kyriakidou et. al.; 2010; Chand, 2010; Vinten, 2000). Moreover, training has a positive effect on productivity and makes it important for firms to invest in training (Jennifer, et. al.; 2013). This study explores a different way to assess the outcome of training in star classified hotels, that is, by examining the relationship between employee benefits from training and organizational commitment.

2. SIGNIFICANCE OF THE STUDY

Emphasizing and implementing dominant training and development programmes are becoming more critical in order to accomplish organizational objectives and goals. An organisation to survive in this competitive world must have a committed work force. Organisational commitment of employees can be enhanced through different ways. Training can be viewed as a management practice that can be controlled or managed to obtain a desired set of unwritten, reciprocal attitudes and behaviours, including job involvement, motivation, and organizational commitment. The significance of the study was to develop a conceptual framework and to empirically assess the relationship between employees benefits from training and organizational commitment.

3. OBJECTIVES OF THE STUDY

- To assess the relationship between personal benefits of training and affective, normative and continuance organizational commitment
- To study the relationship between career benefits of training and affective, normative and continuance organizational commitment
- To study the relationship between job-related benefits of training and affective, normative and continuance organizational commitment
- To explore the relationship between employee benefits of training and Organizational commitment

4. THEORETICAL FRAMEWORK AND HYPOTHESIS FORMULATION

4.1. Organizational Commitment

Organizational commitment refers to the strength of attachment of a person to his or her organization (Arnold, 1998). (Meyer and Allen, 1997) suggested that a 'committed employee is one who will stay with the organization through thick and thin, attends work regularly, puts in a full day, protects company assets, and who shares company goals. Organizational commitment is a concept that is increasingly being considered an important variable in explaining work-related behavior because of its assumed impact on performance (Benkhoff, 1997). Organizational commitment is recognized as one of the major determinants of organizational effectiveness (Steers, 1975). (Meyer and Allen, 1997) suggest that it is not financial rewards that develop organizational commitment; rather, employee commitment to the organization is based on the opportunity the organization offers its employees to conduct important and challenging work, the interaction with interesting people, and the environment that facilitates developing and building new skills.

4.2. Employee benefits from training

Noe and Wilk (1993) grouped employee training benefits into three categories: personal benefits, career benefits and job-related benefits. Personal benefits represent the extent to which employees believe that participation in training activities help them network, improve their job performance and make progress towards their personal development. Career benefits result from participation in training activities that lead to identifying career objectives, reaching career objectives and creating opportunity to pursue new career paths. Job-related benefits lead to better relationships between peers and managers, and provide a necessary break from the job (Noe & Wilk, 1993).

4.3. Literature Evidences

Phillips (1997) investigated from his study that organizational commitment is one of the benefits of employee training. **Ahmad & Bakar (2003)** conducted a study on the relationship between training and organisational commitment. The major findings of this study suggested that individual perception on training plays an important role in affecting organizational commitment. It was found that availability of training, support for training, and motivation to learn were significantly and positively associated with affective, normative, and overall organizational commitment but not continuance commitment. **Bartlett (2001)** studied the relationship between employee attitudes toward training and feelings of organizational commitment among a sample of 337 registered nurses from five hospitals, and perceived benefits of training are positively related to organizational commitment. **Bartlett & Kang (2004)** examined the relationship between employee attitudes related to training and organizational commitment among a sample of nurses in New Zealand and the United States.

Azad & Michael (2007) examined the relationship between the beliefs of senior staff Qatari national employees regarding training benefits as measured by the benefits of employee training, and employees' organizational commitment. **Bulut & Culha (2010)** study investigated the impact of organizational training on employee commitment focusing on employees emotional and affective responses towards their organization. **Newman & Thanacoody (2011)** investigated the impact of employee perceptions of training on organizational commitment, and its relationship with turnover intentions. The findings differ from that of previous studies in non-Chinese settings. **Yang & Sanders (2012)** analyzed the connections between employee's perceptions of training, in terms of perceived training related benefits, perceived supervisor support for training, and perceived access to training and their three types of organizational commitment. **Riaz & Idrees (2013)** studied about the relationship between Employees belief about training benefits including personal, job and career related benefits and their impact on organizational commitment in banking sector of Pakistan. **Bashir & Long (2015)** initiated a study to identify the relationship between employee training and organisational commitment among the academic staffs of public university in Malaysia. **Dhar (2015)** analyzed the employees attitudes in Indian hotels towards training opportunities they perceive from their organisation. An integrated model showing the relationship between perceived support for training, perceived accessibility to training, perceived benefits of training and its impact on service quality which is mediated through organisational commitment of employees was developed. **Alamri & Al-Duhaim (2017)** examined the relationship between employee perceptions of training and organisational commitment. Literature reviews of employee benefits from training and organizational commitment suggests that there is a relationship between employee benefits from training and organizational commitment. A conceptual framework of employee benefits from training and organisational commitment is developed based on the literature reviews and the relationship is empirically tested among employees of star classified hotels in Kerala.

4.4 Conceptual Framework

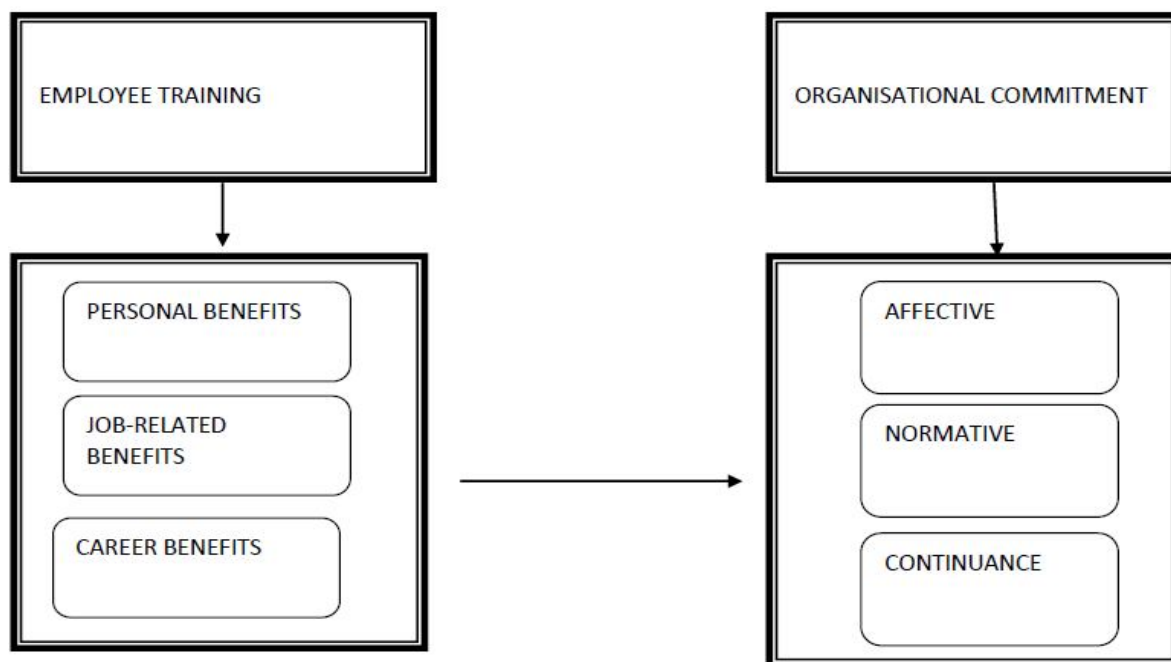


Figure 1: Conceptual Framework for hypothesis testing

4.5 Hypothesis for the Study

H1: There is a positive relationship between personal benefits from training and affective, normative and continuance organizational commitment

H2: There is a positive relationship between career benefits from training and affective, normative and continuance organizational commitment

H3: There is a positive relationship between job-related benefits from training and affective, normative and continuance organizational commitment

H4: Employee benefits of training have significant effect on affective, normative and continuance organizational commitment of hotel employees

5. METHODOLOGY OF THE STUDY

The present study is a quantitative research approach to find out the relationship between employee benefits from training and organizational commitment of hotel employees of Kerala. Both primary and secondary data has been used for the study. Secondary data has been collected from various sources including websites, journals, articles and other published sources. Primary data for the study was collected from employees of star classified hotels in Kerala.

5.1 Sample and Data Collection

Primary data for the study was collected from employees of star classified hotels (Three star, four star and five star) in Kerala. Survey method was used to collect primary data and the tool for data collection is questionnaire. Respondents are the employees of star classified hotels. The population for the study is the employees of star classified hotels in Kerala and samples were collected from the population based on convenience sampling technique, where the samples are selected based on the convenience of the researcher. 180 questionnaires were distributed among the hotel employees and among that 160 responded and the sample size for the study is 160. Respondents profile includes 94 male respondents and 66 female respondents.

5.2 Measures

Standard scales were used in this study and measured on a five point likert scale ranging from 1= strongly disagree to 5= strongly agree. The operationalization of perceived benefits of training measured on a five point scale with 1= strongly disagree to 5 = strongly agree was based on twelve items adapted from; Noe & Wilk (1993); Al-emadi & Marquardt (2007); Bulut & Culha (2010). Three constructs including career benefits of training (CBT), personal benefit of training (PBT) and job related benefit of training (JBT) are measured under the perceived benefits of training. Organizational commitment is measured using Meyer and Allen's (1997) three component model of organizational commitment. The three-component model of organizational

commitment is represented by 23 items to measure organizational commitment. Eight items assess affective organizational commitment, nine items assess continuance organizational commitment and six items assess normative organizational commitment. The data collected has been analyzed by SPSS 21.0 version tool. Pearson correlation analysis was carried out in order to find out the relationship between factors of employee benefits of training and three dimensions of organisational commitment of employees. Multiple regression analysis was used to analyze the effect of employee benefits of training on organisational commitment. The inferences drawn from statistical tests are at 0.05 level of significance.

6. RESULTS & DISCUSSIONS

6.1 Reliability Test

A reliability test is conducted to measure the internal consistency of the construct using Cronbach's Alpha. A Cronbach's Alpha value of 0.7 and above is considered as reliable (Nunnally, 1978). The reliability for the instrument was assessed using cronbach reliability test. The reliability for the Career benefits from training scale is 0.859, the reliability of personal benefits from training is 0.808 and reliability of job related benefit is 0.861 respectively. The cronbach alpha reliability of affective commitment scale is 0.949, continuance commitment scale is 0.981 and normative commitment scale is 0.818 respectively. Hence the scale used for the study is reliable.

6.2 Relationship between Employee Benefits of Training and Three Dimensions of Organisational Commitment

The relationship between employees perceived benefits of training and three dimensions of organisational commitment are analyzed using Pearson's Correlation Coefficient. The results are shown in table-1

Table-1: Correlation Analysis between Perceived Benefits of Training and Three Dimensions of Organisational Commitment

| | | Affective Commitment | Continuance Commitment | Normative Commitment | Organisational Commitment |
|---|-------------------------|-----------------------------|-------------------------------|-----------------------------|----------------------------------|
| Career benefits of training | Correlation Coefficient | 0.209* | 0.176* | 0.199* | 0.136* |
| | Significance (2-tailed) | 0.000 | 0.000 | 0.000 | 0.004 |
| | N | 160 | 160 | 160 | 160 |
| Personal benefits of training | Correlation Coefficient | 0.354* | 0.039 | 0.069 | 0.243* |
| | Significance (2-tailed) | 0.000 | 0.404 | 0.146 | 0.000 |
| | N | 160 | 160 | 160 | 160 |
| Job related benefits of training | Correlation Coefficient | 0.136* | 0.076 | 0.147* | 0.062 |
| | Significance (2-tailed) | 0.000 | 0.108 | 0.002 | 0.190 |
| | N | 160 | 160 | 160 | 160 |

*Correlation is Significant at 5 per cent level

The result shown in Table 5.5.20 reveals that career benefits of training is significantly correlated with organisational commitment ($r = 0.136$, $p < 0.05$) and its three dimensions such as; affective commitment ($r = 0.209$, $p < 0.05$), continuance commitment ($r = 0.176$, $p < 0.05$) and normative commitment ($r = 0.199$, $p < 0.05$). The results supported findings by Nordhaug (1989); Ahmad & Bakar (2003); Al-Emadi & Marquardt (2007); Bartlett & Kang (2004); Bulut & Culha (2010) and Dhar (2015). This suggests that employees who expects career benefits from their participation in training and who reflects positively on career benefits of training are likely to be more committed to their particular organisation. Personal benefits of training is significantly correlated with organisational commitment ($r = 0.243$, $p < 0.05$) and one of its dimension; affective commitment ($r = 0.354$, $p < 0.05$). The relationship between personal benefits of training and other two dimensions of organisational commitment namely; continuance organisational commitment and normative organisational commitment is not significant. This shows that personal benefits that an employee receive from training may not have impact on cost of leaving the particular organisation and also it may not lead to any obligation from employee to the organisation. The results also indicates that job related benefits of training is significantly correlated with two dimensions of organisational commitment such as; affective commitment ($r = 0.136$, $p < 0.05$) and normative commitment ($r = 0.147$, $p < 0.05$). The relationship between job related benefits of training

and organisational commitment and continuance organisational commitment is not significant. It shows that job related benefits of training do not affect employees perception of cost of leaving the organisation and also their overall organisational commitment. Hence we can conclude that among the three factors of perceived benefits of training, career benefits of training and personal benefits of training have a significant relationship with organisational commitment of employees.

6.3 Regression Analysis on Perceived Benefits of Training and Organisational Commitment

The effect of perceived benefits of training on organisational commitment of employees is analyzed using stepwise multiple regression method and the results are furnished below.

Table-2: Coefficients – Significance of Personal Benefits of Training (PBT), Personal and Career Benefits of Training (CBT) to Organisational Commitment

| Model | Dimensions | Beta | t | Sig | Tolerance | VIF |
|-------|------------|-------|---------|-------|-----------|-------|
| 1 | (Constant) | | 19.470* | 0.000 | | |
| | PBT | 0.243 | 5.299* | 0.000 | 1.000 | 1.000 |
| 2 | (Constant) | | 10.303* | 0.000 | | |
| | PBT | 0.250 | 5.512* | 0.000 | 0.998 | 1.002 |
| | CBT | 0.148 | 3.265* | 0.001 | 0.998 | 1.002 |

*Significance at 5% level

Dependent Variable: Organisational commitment

The independent variables, personal benefits of training ($t = 5.512$, $p = 0.000$) and career benefits of training ($t = 3.265$, $p = 0.000$) are statistically significant at 5 per cent significance level and hence the hypotheses that personal benefits of training and career benefits of training have no significant effect on organisational commitment are rejected. The independent variable job related benefits of training is not statistically significant and hence the hypothesis that job related benefits of training have no significant effect on organisational commitment is accepted. The contribution of each variable to the model is measured by the beta (β) coefficients. Higher the beta coefficient, the effect of independent variable on dependent will be greater. The beta value of personal benefits of training is higher ($\beta = 0.250$) therefore it has greater effect on organisational commitment followed by career benefits of training ($\beta = 0.148$). The employees who reflect positively on benefits they receive from training exhibit stronger feelings of commitment to their particular organisation. Similar results were also reported by Bartlett (2001); Ahmad & Bakar (2003); Joiner & Bakalis (2006); Al-Emadi & Marquardt (2007); Dhar (2015); Bashir & Long (2015) and Alamri & Al-Duhaim (2017).

7. SCOPE FOR FURTHER RESEARCH

The study concentrated on hotel employees of Kerala and hence results cannot be generalized to other sectors too.. Every organization differ in its activities and employee policies, hence the relationship is different for different types of organizations. So this particular study can be done in other type of organizations. Other work related attitudes like job satisfaction; job involvement etc. can also be included in the framework for future study.

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A STUDY ON THE CHALLENGES AND OPPORTUNITY OF ISLAMIC FINANCE IN INDIA

Gincy CharlesAssistant Professor, Department of Management, Kristu Jayanti College, Bengaluru

ABSTRACT

Islamic Banking seems to be a new concept when it comes to India's conventional banking system. Despite its significant growth in the middle east countries and in other areas of the world, especially Europe, North America and Australia. It gained an impressive impact on these countries, but it is yet to find a favor place within the Indian Economy. On the senior of Global financial crisis, it took a spotlight to search for an alternative to conventional banking which put an emphasis on Islamic banking in various areas of the world. This paper discusses the challenges and the potential of opportunity of Islamic Banking in Indian Economy. It is hoped that the research will make a difference towards development and Improvement of Islamic Banking in India.

Keywords: *Islamic banking, Sharia Law, Islamic finance, Islamic Banking challenges, Riba (Interest), Hiba (Profit).*

1. INTRODUCTION

Islamic banking or Sharia compliant finance is a financing activity which is proposed by the shariah or we can say twin principle of Islamic law Which excersies the activities of profit sharing and loss bearing (Mudarabh), certain activities carried out by this financial institute are safe keeping, cost-plus, leasing and prohibits the collection of Riba (interest). Presently Islamic banking is present in more than 75 countries worldwide. Despite being the challenges faced by Islamic financial institution it gained rapid growth of 6%. In the middle east financial and Banking sector as compared with 4% for conventional banks. It made a wide difference in Asian countries According to 2018 World economic survey.

Islamic Banking institution are not only charity institution or some religious organization but it renders services nationally. Its prompt motive is profit making organization rendering same work as it is done by the traditional interest-based banks but Islamic Banking is wholly based on shariah Law. This reason for this Islam forbids lending or borrowing of money at a predetermined interest rate called Riba. Investment in business that provide goods or services is considered contrary to principle of Islam is sinful and prohibited.

Egypt is viewed as the pioneer of modern Islamic banking. The practices of Islamic banking institutions are distinctly different from all other conventional banking institutions principles. Islamic Economist improvise interest rate & monetary policy create a huge pressure on normal economy of any country.

Basic concepts of Islamic Banking:

Profit sharing: (MUDARABAH)

Under this Mudarabah system Islamic finance facilitates customer for savings and time deposits in form of Investment accounts profits are shared between the parties in a pre- agreed ratio.

Prohibition of Interest (RIBA)

Under Islamic finance interest are restricted on the deposits of parties. Rules on transactions Under this system have been created to prevent use of paying or charging interest.

Joint Venture (MUSHARAKH)

The third instrument used by Islamic Banks is musharakah, which is a form of contributing Capital through joint ventures. Unlike the case of mudarabah, here the bank not only participates in the supply of capital to the venture, but also in its management. Thus, all the partners share profit or loss on the ratio of Investment.

Cost Plus (murabahah)

Under this system murabahah, Islamic Banks consist of transactions where the institution buys a product (e.g., a car or a machinery) on a client's behalf and then resells it to the customer at higher price or markup price and offering to take payment in installments.

Leasing (Ijarah)

Islamic Banking deals with Ijarah or leasing. Two types of leases are used. In one, the lessee pays the lessor installment payments that go towards ultimate purchase of the equipment by the lessee. This type of lease/purchase agreement is known as Ijarah Wa-iqtina. The second type of lease maintains the ownership of the lessor as per the lease contract.

2. ISLAMIC BANKING IN INDIA

In India Banking sector regulate by the Banking Regulation Act of 1949 distinguishes the financial institutions as i) Banks and ii) Non-Banking Financial Intermediaries., the banks can be divided in to a) Nationalized Banks b) Private Banks c) Foreign Banks and d) Co-Operative Banks by the various Acts. (Banking Regulation Act 1949, Reserve Bank of India Act 1934, Negotiable Instruments Act 1881 and Co-Operative Societies Act 1961 etc.). When our conventional banking laws showed deep favor to 'banking with interest' system, the operation of 'banking without interest' extensively prohibited in the nation by exhaustive banking regulation Acts. But all these banking Acts do not inhibit the operation of Islamic finance completely in India. Moreover, our prudent banking laws permit the Islamic finance to work out their operation as Non-Banking financial intermediaries (NBFIs) under the direct supervision and control of Reserve Bank of India.

In India the development of Sharia'h compliant financial institutions had started well before the establishment of a few most prominent Islamic financial institutions the worldwide. But due to certain legal and other hurdles, these institutions could not grow beyond a certain limit and those which grew could not sustain themselves at that level for a longer time. Since the inception of modern Islamic banking, there have been several attempts to establish a Sharia'h compliant banking sector in India, however, financial legislation and regulations have reservations with respect to setting up Islamic banks in India. In the last few years, the discussions on the need and advisability for changes and amendments of existing legal framework are raised, and especially regarding the Banking Regulation Act 1949.

Many national and International banks are interested in introducing Islamic banking services to Indian customers but they are still left with the following questions unanswered: what is the potential of Islamic banking for the Indian economy? What is the level of awareness of Indians about Islamic banking? What is the attitude of Muslims and Non-Muslims towards Islamic banking in India? A study is required to find out and analyze the 2 attitudes of Indian consumers towards Islamic Banking and their perception about the services of Islamic banking in India. An empirical study into consumers' perception and willingness to accept Islamic banking would give the required insight into structuring of Islamic banking services, whether such services can be introduced without any changes, as has been in the Middle East and other countries thus-far, and the viability of new players coming up with innovative Islamic banking products and services.

3. OBJECTIVES OF THE STUDY

- To identify the challenges faced by Islamic finance.
- To Identify the Opportunities available to Islamic finance to progress in Indian economy.
- To Provide some suggestion for the development & improvement of Islamic Finance.

4. CHALLENGES FACED FOR IMPLEMENTATION OF ISLAMIC FINANCE IN INDIA

Even though Islamic Finance is growing at a rapid phase but, it is not free from issues, problems and challenges in executing its services in India. Major issues underlying the interest free financing on other side of conventional banking who mainly focus on the Interest based banking. Islamic Banking sector faces many Challenges as it continuous to expand globally which includes the regulatory environment in some countries that limits the ability of Islamic Financial institutions to offer certain financing products and lack of consumer knowledge about the system.

When we Discuss about the Indian economy the major challenge faced by the Islamic banking is political and Social turmoil put the brakes on Islamic finance for a very long time. As in Islamic Finance, ethical knowledge depicts that Islam allows for a free market economy where supply & demand are decided in the market and are not dictated by the government. In 2005, Reserve Bank of India (RBI) appointed a committee headed by Anand Sinha to study the grasping opportunities for Islamic banks in the country. Unfortunately, the committee tabled the report with the conclusion Islamic banking cannot operate in the country by current banking rules and regulation. Raghuram Rajan committee report (April 2008) on financial sector reforms had suggested the Interest-free banking system for empowering our economy. In 2014, the State Bank of India was set to launch Sharia Mutual Fund, which would invest in sharia-compliant companies. This, however, was deferred at what Mr. Subramanian Swamy called the —eleventh hour, because he wrote a letter of concern to Prime Minister Narendra Modi, arguing that Islamic banking would be —economically and politically disastrous for India. He even said that this may lead to dubious funds in the Middle East entering into our country through legally baptized channels of Sharia compliant financial institutions.

On reference to this customer doesn't have confidence on the financial system and Law under Islamic finance. Since, there is no influence or control by the government in its functionality.

Islamic Economist improvise Interest rate & Monetary policy which create a huge pressure on normal economy of any country. The basic impact of the financial crisis lay in the nature of imposing high Interest rate and erroneous monetary policy which leads the borrowers to impoverishment and they fail or default in repaying the borrowed amount because of the high interest rate and always be a heavy burden on their shoulder. As we can see in instance of the present farmer's protest which is the reason of high interest rate imposed by the conventional banks. The current Economic scenario facing a strongly deployed crisis of the above instance is the current phase of Indian Economy. Basically, the four attributes which play a big challenging role in the growth of Islamic Finance in Indian Economy. Demand condition, Supply conditions, Regulatory conditions and Societal conditions. Lack of awareness among the customers of the reason Why Islam prohibits the charging or paying of interest and the advocacy of social justice and equality through distribution of wealth within the society.

5. OPPORTUNITIES FOR GROWTH OF ISLAMIC FINANCE IN INDIA

The potential for Islamic Banking in India lies in the following points.

Indian Economy could be an important market for the growth of Islamic finance due to Economic stability and growing GDP of Indian market. It can play a vital role in contribution and maintaining Economic stability by its principle. However, it still subject to a favorable change in regulatory environment and increased awareness among Indian People.

The current Muslim population of the world is 1.8 Billion and Muslims are about 14.2% and Hindu 79.8% of total population of India as we make a glimpse. This 50% Muslims are financially excluded. The long-held issue of financial inclusion can be taken care of by introducing Islamic banking. As majority of Indian Muslims are so poor that they are not targeted by the commercial banks and whose saving lie idle at home and Muslims in India. Generally, lack credit worthiness because they form part of negative areas, which were drawn back & are still in vogue. It is here where the actual market potential of Islamic banking lies.

One may argue that Indian Muslims are satisfactory using the existing conventional banking system. As form an interview with bank executives, he stated that a significant Muslim population is:

- Not investing in Mutual funds with a debt component.
- Donating the interest on their salary savings account to charity.
- Using a Zero interest current A/c instead of a saving account. The above steps are diligent efforts made by many Indian Muslims to make the current conventional banking as Sharia compliant in their own way. This is the huge market which can be tapped by Islamic banking.

6. REVIEW OF LITERATURE

Review of literature paves way for a clear understanding of the areas of research already undertaken and throws a light on the potential areas which are yet to be covered. Keeping this view in mind, an attempt has been made to make a brief survey of the work undertaken in the field of Islamic Finance. This review of some of the important studies is presented below:

- **Gulzhan Musarva (2018)** reported that, Islamic banking have made a rapid growth in the last decade, but still it has to maintain the momentum, to improve on a number of pertinent on the establishment of common regulatory, legislative, tax and legal foundation, Cost efficiency and Integration issues of all Islamic Financial markets.
- **Narinder Kumar & Anupama R (2017)** the point that Islamic banking principles need to be networked and several entrepreneurship boosting is to be emphasized for which new need for innovative financial services arise and since Islamic banking can easily grow in India's ready market.
- **P. Ponraj & S. Sriram (2016)** founded that, Islamic economic banking principles becomes imperative to introduce in Indian banking system as there exist wide disparity in terms of region, religions, languages etc. This disparity provides us with a blue ocean which can be exploited to make a positive mark on the banking landscape of our country.
- **MOH. Faisal (2013)** founded that there is extensive coverage of Islamic banking in Indian economy for the dimension knowledge about features of Islamic banking. Hindu and Christians have acquired highest impact of this. The study shows educationally more qualified consumers have more positive attitude towards Islamic banking in India.

8. SUGGESTIONS

- Islamic finance has a driving space in the Indian economy. It is necessary to create awareness about the concept of Islamic banking to people. Informative seminars, workshops should be organized. so, that the large number of people will be benefited.
- Government should make a path for execution of Islamic banking by removing hurdles in the path of Islamic banking in India. It is a banking system which can promote to fully sanitize the banking sector and also reduce the socio-economic problems prevailing in India.
- Islamic banking offers an alternative paradigm for millions of needy people currently not catered by the conventional banking system. In order to provide access to sustainable services offered by Islamic banks on a large scale, it is imperative for the industry to adopt innovative and sound practices and prove that these models work.
- Islamic banks have to provide high level of customer services in comparison to the services offered by the commercial banks so that customer shifting from conventional to Islamic bank maintain the same level of satisfaction.

9. CONCLUSION

Indian economy is a fast-growing economy. Financial system plays a significant role. Today's era is sum up with conventional banking system but with lots of challenges and crisis evolved in it. On the other side Islamic banking system helps the economy in Risk assessment, Monetary management of the financial institutions which can gain a level of confidence of the stake holders. It strengthens the whole activities of the financial Institution. India being the second largest Muslim population state in the world, it not only gains advantage and benefits from Islamic banking but can attract more foreign Institutional Investors in our country. The concept of Islamic banking & finance will make a strong impact on the efficiency of functioning and emerging financial system in the Indian economy, the opening of new window for Islamic banking and finance will improve the structure, resiliency & soundness of financial sector in the country and it will be a support for the growth and productivity of Indian economy.

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A STUDY ON INTRODUCTION OF CASHLESS ECONOMY IN INDIA BENEFITS AND CHALLENGES

Mohammed Wajid¹ and Dr. P Srinivas Rao²Research Scholar¹, Al-Ameen Institute of Management Studies, BangaloreExecutive Dean², Al-Ameen Research Foundation, Bangalore**ABSTRACT**

The study examines the various views of people on the introduction of cashless economy in India. The study was collected with the help of questionnaire and analyzed using the simple percentage method. Responses from respondents' shows that cashless economy will help in improving economic growth of our country, counterfeits fake currencies, universal payment system and easy control of money supply. Major challenges that can hinder the implementation of the policy are cyber fraud, high illiteracy rate, attitude of people, lack of transparency, efficiency in digital payment system and high cash dependency. The study explicates that the introduction of cashless economy in India can be enlightened as a step in the right direction. The importance of cashless economy, thus plays a vital role for the growth and development in India.

Keywords: Cashless Economy, Digital Payments, Cyber Frauds.

I. INTRODUCTION

Cashless economy is an economy where maximum transactions are done without using the physical cash or the means of hard cash. It is the economy where economic transactions are done with the facilities like credit card, debit cards and on line transactions by means of fund transfer and using e-wallets. The introduction of cashless economy with the help of information technology these days is fully supported by the national government in India. This initiative has not only helped the fast transactions but at the same time it has saved lot of time and money in the country. If we see the global trend in the market it is clear that all over the world people have started taking interest in cashless transactions. Academicians, politicians, administrators and above all the economists all over the world has strongly advocated about going cashless from the cash rich economy. Every elite finds lots of benefits from this type of transactions rather carrying cash and move in the market. Moving toward the cashless economy can end up in number of benefits. It has been found in a study that cashless economies can lead to the increase in the consumption and hence definitely the GDP of the country. If we see the same from the Indian perspective it can be concluded that card and online transactions can lead to better spending avenues than the cash transactions.

The government has implemented a major change in economic environment by demonetizing the high value currency notes of – Rs 500 and Rs 1000 from 8th November 2016 and push India towards cashless future. What is cashless economy: A cashless economy is one in which all the transactions are done through electronic channels such as debit/credit cards, Immediate Payment Service (IMPS), National Electronic Funds Transfer (NEFT) and Real Time Gross Settlement (RTGS). The circulation of physical currency is minimum. The Indian economy continues to be driven by the use of cashless than 5% of all payments happen electronically. Electronic based transaction seeks to drive the development and modernization of India's payment system. The essence of the policy is to shift the economy from a cash based economy to a cashless one. Efficient and modern payment system is a key enabler for driving growth and development.

The Indian payment system is rapidly transiting to more and more IT based systems. In the retail sector we have very high volumes of money transactions. Other than cash, one of the growing payment methods adopted by merchants in the sector is payment cards. However, the whole isometrics of moving from cash-driven economy to cashless economy has somehow been assorted with demonetization that was aimed to extract liquidity from the system to unearth black money. With increasing adoption of electronic payments, particularly those driving e-commerce and m-commerce, there is a growing demand for faster payment services which, in turn, facilitate ease in doing financial transactions. Reducing Indian economy's dependence on cash is desirable for a variety of reasons. India has one of the highest cash to gross domestic product ratios in the world, and lubricating economic activity with paper has costs. According to a 2014 study by Tufts University, The Cost Of Cash In India, cash operations cost the Reserve Bank of India (RBI) and commercial banks about Rs21,000 crore annually. Also, a shift away from cash will make it more difficult for tax evaders to hide their income, a substantial benefit in a country that is fiscally constrained.

IMPORTANCE OF CASHLESS TRANSACTION

- **Taxation:** with lesser availability of hard cash at homes and more in banks, there is lesser scope of hiding income and evading taxation and when there are more tax payers it ultimately leads to a lesser rate of taxation for the whole country.

- **Transparency and accountability:** it becomes a lot easier to track the flow of money with every transaction being recorded with the buyer, seller as well as regulatory bodies, making the system much more transparent and compliant. In the long term it leads to better business and investment prospects for the economy as a whole. More currency in bank will mean more circulation of money in the economy, leading to greater liquidity and would eventually mean lesser interest rates (according to the monetary policy of the country).
- **Reduced red tapism and bureaucracy:** with cashless transactions through electronic means the wire transfers are tracked and people are accountable which in turn reduces corruption and improves service time.
- **Less availability of cash for illegal activities:** when people are encouraged to go cashless, there is lesser cash available with the people and there won't be a means to invest in other activities to use the idle cash. Channels like hawala (illegal remittance) will ultimately suffer the brunt of a cashless economy.
- **Pack of cards:** No need to carry bulky notes in a case. Just carrying the required cards or mobile banking will suffice. More sense of safety with a PIN protected card etc. which will work only with your own credentials. No fear of being robbed unlike carrying cash and letting everyone know that there could be something worth snatching.
- **Tracking of expenses:** it becomes easier to determine how much was spent where.
- The exact amount in small denominations can be paid. Unlike cash transactions, there is no need to pay fringe amount in case the exact amount is not available with either of the parties. An important, though seemingly insignificant issue is that of hygiene of the notes.
- Easier accounting direct payment to bank account. You don't need to go every day to deposit cash to your current account.

BENEFITS OF CASHLESS ECONOMY

- **Faster transactions:** It has been proved that queuing at point of sale terminals and vending machines is greatly reduced; typically three times more people can be served using a cashless system than could have been if they were paying cash. This leaves employees more time to enjoy their break. Improving the speed of service may also offer the benefit of reducing staff levels at off peak times.
- **Prompt settlement of transactions:** E- banking speeds up the settlement of transactions both locally and internationally, where the bank stands as paying bank to the customers for settlement of transaction or as collecting bank for collection of payment on transactions.
- **Convenience and Lower risk:** The ease of conducting financial transactions is probably the biggest motivator to go digital. There will be no need to carry cash, plastic cards, or even queue up for ATM withdrawals. It is easy to block a credit card or mobile wallet remotely if it has been stolen. But, it's impossible to get the stolen cash back.
- **Taxation:** There is lesser scope of hiding income and evading taxation because of lesser availability of hard cash at homes and more in banks. When there are more tax payers, it ultimately leads to a lesser rate of taxation for the whole country.
- **Transparency and accountability:** Electronic transactions or plastic money always leaves a digital proof beneficial for both the taxpayer (consumer) and the tax collector (government) and hence makes the system much more transparent and compliant.
- **Reduced Maintenance Costs:** Digital transaction is a boon in terms of processing costs and waiting time. If implemented properly, it will increase the consumption and production rates, thereby improving the economy. Moreover, the logistics and supply chain of cash is costing the exchequer a fortune. The amount of money required in printing cash, its storage, transportation, distribution and detecting counterfeit currency is huge.

CHALLENGES OF CASHLESS POLICY IN INDIA

- **Digital Literacy:** More than half of the nation still does not know how to use a computer. People in rural areas still don't know about smart phone. Besides, there is lack of internet facilities and without it a country cannot become cashless. There are still many rural and urban areas where the access of having 2G network is very difficult. Moreover, the cost of Internet access is very high as compared to developed countries.

- **Few Banks in villages:** The capital city New Delhi alone has about 20 HDFC bank branches. There are several villages and Tehsils that don't even have one. More the banks, more the cash deposits in accounts. Banks in villages should be helpful in teaching the residents the process, usage and benefits of plastic cards.
- **Low Literacy Rate:** Low literacy rate hinders the accessibility of banking services. Citizens should not only know how to read and write but also possess basic ICT literacy to fully enjoy the benefits of e-payments.
- **Language Barrier:** Internet is an English based platform. The details on the plastic card are also in English. The message received on mobile regarding transaction is also in English. Therefore, it is required to use multiple languages regarding these processes or make everyone learn English.

TYPES OF CASHLESS MODES AND PAYMENTS

- **Mobile wallet:** It is basically a virtual wallet available on mobile phone. A mobile wallet is a way to carry credit card or debit card information in a digital form on mobile device. A user can pay with his/her Smartphone, tablet, or smart watch instead of using your physical plastic card to make purchases. A user needs to make an account with a mobile wallet provider. After which money is added to the 'mobile wallet' account using a debit, credit, online transaction from bank account or via cash. An individual can store cash in his/her mobile to make online or offline payments. Various service providers offer these wallets via mobile apps, which is to be downloaded on the phone. She/he can transfer the money into these wallets online by using credit/debit card or net banking. This means that there is no need to furnish the card details every time while paying a bill or make a purchase online via the wallet. It can be used to pay bills and make online purchases.
- **Plastic money:** It includes credit, debit and prepaid cards. The latter can be issued by banks or non-banks and it can be physical or virtual. These can be bought and recharged online via net banking and can be used to make online or point-of-sale (PoS) purchases. They can be given as gift cards. These cards are used for three primary purposes – for withdrawing money from ATMs, making online payments and swiping for purchases or payments at PoS terminals at merchant outlets like shops, restaurants, fuel pumps etc.
- **Net banking:** It does not involve any wallet and is simply a method of online transfer of funds from one bank account to another bank account, credit card, or a third party. It can be used through a computer or mobile phone. A person has to log in to her/his bank account on the internet and transfer money via national electronic funds transfer (NEFT), real-time gross settlement (RTGS) or immediate payment service (IMPS), all of which come at a nominal transaction cost.

II. REVIEW OF LITERATURE

Bharat Khurana (May 2017) in “DREAM OF CASHLESS INDIA: BENEFITS & CHALLENGES”

Cashless society is the concept where transactions involving money take place through digital mode and where there is no or very little use of hard cash. This research paper discusses the efforts of Government of India in promoting cashless transactions. Considering all these efforts, move towards digital India is no longer seems to remain just a dream. All over India steps are being taken to make this dream come true and the benefits that it will provide in long run are worth making these hard efforts. All these benefits have been discussed and the hurdles in path to the success of this programme have also been highlighted.

Borhan Omar Ahmad Al-Dalaen (August 2017) in “CASHLESS ECONOMY IN INDIA: CHALLENGES AHEAD”

Cashless economy is an economic system in which there is little or very low cash flow in a society and goods and services are bought and paid through electronic media. Cashless economy is the economy in which transactions are made by debit cards, credit cards, cheques or direct transfer from one account to another. The present research highlights the conceptual background of cashless economy in India. Besides, the study examines the benefits of cashless economy to the general public by collecting data with the help of questionnaire designed on a five point Likert scale. The sample size of the study is 112 respondents consist of students, teachers, and businessmen. One sample t-test has been applied to test the hypothesis. The results revealed that cashless economy is not beneficial to the general public.

Mr. Pradeep H. Tawade(2017) “FUTURE AND SCOPE OF CASHLESS ECONOMY IN INDIA”

Cash is like water a basic necessity without which survival is a challenge. Nevertheless, cash use doesn't seem to be waning all that much, with around 85% of global payments still made using cash. One of the main reasons is that there is nothing to truly compete with the flexibility of notes and coins. The digital era is something to embrace, and new methods of payments will continue to be introduced. But Indians need to recognize the risks

and benefits of different payment instruments, the risks associated with electronic payment instruments are far more diverse and severe. Recently lakhs of debit card data were stolen by hackers; the ability of Indian financial institutions to protect the electronic currency came into question also an important reason why people favour cash.

Ms. Pranjali A. Shendge, Mr. Bhushan G. Shelara & Asst. Prof. Smitaraja S. Kapase (April 2017) "IMPACT AND IMPORTANCE OF CASHLESS TRANSACTION IN INDIA"

The Research paper focuses on impact and importance of cashless policy in India. According to Government of India the cashless policy will increase employment, reduce cash related robbery thereby reducing risk of carrying cash. Cashless policy will also reduce cash related corruption and attract more foreign investors to the country. In many countries introduction of cashless economy can be seen as steps in the right direction. It is expected that its impact will be felt in modernization of payment system, Reduction in the cost of banking service, Reduction in high security and safety risk and also curb banking related corruption. Electronic banking will be made banking transaction to be easier by bringing services closer to its customers hence improving banking industry performance. The financial safety over the digital payment channel is important for pushing the cashless economy idea. A major obstacle for the quick adoption of alternate mode of payment is mobile internet penetration, which is crucial because point of sale terminal works over mobile internet connection, while banks have been charging money on card-based transaction which is seen in hurdle. India has been using electronic payment system for many year now, However the retail sector still has predominance of cash transaction and payment through cash is yet to pick up card is the one of the most secure, convenient mode of cashless payment in retail market.

Pappu B. Metri & Doddayallappa Jindappa (2017) "IMPACT OF CASHLESS ECONOMY ON COMMON MAN IN INDIA"

The low literacy rates in rural India, along with the lack of infrastructure like internet access and power make things extremely difficult for people to adopt e-transaction route. The financial technology industry would be unwise to ignore the rise of mobile transaction services, person-to-person networks and the whole range of digital disruption in the payments arena from the likes of Bit coin, Apple Pay and PayPal that undoubtedly is putting pressure on cash. The present paper meets an attempt to know the awareness about smart phone and the use of smart phone in rural India. To overcome from the problem of cashless services providing in rural India.

Ms. Mahima Sudent (May 2017) "CASHLESS ECONOMY: SWOT ANALYSIS FROM INDIAN PERSPECTIVE"

Cashless economy is a new buzz word aimed by many economies around the world. It is one of the trending and emerging concepts which is regarded by eminent economists as the best form of modern economy. Cashless economy is economy which performs all its transactions using plastic money or through the digital means. Recently RBI has also unveiled its document- "Payments and Settlement Systems in India: Vision 2018" encouraging the electronic payments and to help INDIA grow from cash to cashless society in the long run. Thus giving this concept an overlook, this paper focuses on the SWOT analysis of "CASHLESS ECONOMY" from an Indian perspective describing the strengths, weaknesses, opportunities and threats for India from going cash to cashless.

Rashmi Bindra & Bindiya (May 2017) "GOING CASHLESS: STEPPING TOWARDS DIGITAL INDIA"

A Cashless Economy is an economy in which all types of transactions are carried out through digital means. It includes e-banking (Mobile banking or banking through computers), debit and credit cards, card-swipe or point of sales (POS) machines and digital wallets. The paper under study tries to throw light on the rising trend of digital transactions in India being carried out in various cashless modes over the last few years but simultaneously being ourselves making alert of the negative impact of going cashless thereby showing downside of digital India. As the people of India are showing amazing response towards move of digitalization, it is the big indicator of prosperous future for India to be cashless India. So the need of an hour is to spot the weaknesses involved in cashless transactions and work out on them to achieve the vision of Prime Minister Modi's Digital India.

III. STATEMENT OF THE PROBLEM

Cashless economy is that economy in which all the transactions are done using cards or digital means. The circulation of physical currency is minimal. India uses too much cash for transaction. The number of currency notes in circulation is also for higher than in other large economies. In this context recent trends have been changed, while revolution in the information technology in India.

IV. OBJECTIVES OF THE STUDY

1. To study the concept of cashless economy.
2. To study the benefits and challenges of cashless economy.
3. To analyze the future trends of cashless transactions.

V. RESEARCH METHODOLOGY

The research for the present study covers the methodology by using the convenient sampling method. The people who are easily accessible have been chosen for the study. A total of 100 questionnaires were distributed in Bangalore city in the month of November 2017. The sample size was of 100 respondents. Secondary data was collected through various sources like Journals, Websites, Articles, Reports, various books related to topic and other relevant documents.

VI. PLAN OF ANALYSIS

The research for the present study covers the plan of analysis by following the technique of percentage basis in order to overcome finding, suggestion and conclusion.

VII. LIMITATIONS

1. The study was limited to the city of Bangalore.
2. Time constraint.
3. Sample size was limited to 100.

VIII. DATA ANALYSIS AND INTERPRETATION**Table-1: Knowledge of Cashless Policy to users**

| PARTICULARS | OPINION | FREQUENCY | PERCENTAGE |
|---|----------|------------|-------------|
| I have heard about India's cashless economy concept | Yes | 90 | 90 |
| | No | 10 | 10 |
| TOTAL | | 100 | 100% |
| Cashless Economy should be introduced in India. | Agree | 72 | 72 |
| | Disagree | 28 | 28 |
| TOTAL | | 100 | 100% |

Above table shows that there is a high degree of awareness among the population about 90% of the respondents are aware of cashless economy in India. The study considered academic community which means by all standards they are expected to be fairly aware of the happening in the society. However, few respondents are not aware of the cashless economy.

While 72% of the respondents prefer that cashless economy should be introduced in India. The following reasons might have accounted for the lack of preparedness for the system, inadequate technology, freedom to use cash to any amount and the flow of money will be hampered.

Table-2: Below presents the Perceived Benefits of the cashless economy.

| PARTICULARS | OPINION | FREQUENCY | PERCENTAGE |
|--|-------------------|------------|-------------|
| It would reduce risk of fake currency. | Strongly agree | 23 | 23 |
| | Agree | 49 | 49 |
| | Disagree | 22 | 22 |
| | Strongly disagree | 06 | 06 |
| TOTAL | | 100 | 100% |
| It would prevent money laundering. | Agree | 72 | 72 |
| | Disagree | 28 | 28 |
| TOTAL | | 100 | 100% |
| It will help in reducing Corruption and help in curbing Black Money. | Strongly agree | 13 | 13 |
| | Agree | 61 | 61 |
| | Disagree | 09 | 09 |
| | Strongly disagree | 07 | 07 |
| TOTAL | | 100 | 100% |
| It can stimulate economic growth of the country. | Strongly agree | 14 | 14 |
| | Agree | 60 | 60 |

| | | | |
|--|-------------------|------------|-------------|
| | Disagree | 24 | 24 |
| | Strongly disagree | 02 | 02 |
| TOTAL | | 100 | 100% |
| Cashless Economy will reduce cash related frauds. | Strongly agree | 17 | 17 |
| | Agree | 55 | 55 |
| | Disagree | 22 | 22 |
| | Strongly disagree | 06 | 06 |
| TOTAL | | 100 | 100% |
| E-Payment system will stimulate an increase in transparency. | Strongly agree | 24 | 24 |
| | Agree | 51 | 51 |
| | Disagree | 23 | 23 |
| | Strongly disagree | 02 | 02 |
| TOTAL | | 100 | 100% |
| Reduce in fraudulent financial reporting and promote accountability. | Agree | 65 | 65 |
| | Disagree | 35 | 35 |
| TOTAL | | 100 | 100% |

The above table shows that 72% of the respondents believe that the most significant benefit of cashless economy is reducing the risk of fake currency. In the same spirit 72% of the respondents believe that the cashless economy will help to fight against money laundering as the money flowing through the system can easily be traced. 74% of the respondents believe that it contributes towards reducing corruption. Another benefit is that it will stimulate economic growth as money hidden in other illegitimate areas will now be freed up. 74% believe that efficient and modern payment system is positively correlated with the economic development and economic growth of the country. 67% of the respondents believe that cashless economy will reduce the cash related frauds. Another benefit is 75% of the respondents believe that E-Payment system will stimulate an increase in transparency. 65% of the respondents believe that cashless economy will reduce fraudulent financial reporting and promoting accountability.

Table-3: Below present's perceived challenges with the cashless economy.

| PARTICULARS | OPINION | FREQUENCY | PERCENTAGE |
|---|-------------------|------------|-------------|
| Cashless system is safe and secured | Yes | 58 | 58 |
| | No | 42 | 42 |
| TOTAL | | 100 | 100% |
| Cashless transactions will give rise to cyber crime | Strongly agree | 30 | 30 |
| | Agree | 52 | 52 |
| | Disagree | 13 | 13 |
| | Strongly disagree | 05 | 05 |
| TOTAL | | 100 | 100% |
| The literacy required | Strongly agree | 28 | 28 |
| | Agree | 53 | 53 |
| | Disagree | 18 | 18 |
| | Strongly disagree | 01 | 01 |
| TOTAL | | 100 | 100% |

Above table shows that there are some problems where respondents are facing to come with the cashless economy. 42% of the respondents believe that cashless system is not safe and secured. Increase in the number of cybercrimes will hinder the free implementation of cashless economy. 81% of the respondents agree that literacy acts as a base line to carry out with cashless transactions. Hence literacy has a major impact on implementation of cashless transaction.

IX. FINDINGS AND SUGGESTION

From the above analysis it also appears that many people actually agree with the Government on the usefulness of cashless economy. As it helps in reducing corruption and money laundering. One of the major problem in working of cashless economy in India is cybercrime and illegal access to primary data. Therefore, it is important to strengthen internet security from protection against online fraud.

In rural areas large number of population is still below literacy rate. For smooth implementation of cashless system in India. The following measures are recommended-

Government have to bring transparency and efficiency in E-Payment system. Strategies used by the Government and RBI to encourage cashless transactions by licensing payment banks and withdrawing service charge on cards and digital payments. A financial literacy campaign should be conducted by the Government from time to time to make population aware of benefits of E-Payments.

X. CONCLUSION

Cashless economy is an economy where maximum transactions are done with the facilities like credit card, debit card and online transactions. Government needs to take necessary steps and make some policy consideration when they are preparing for cashless economy. The payment system have to be operated and protected from the cyber-attacks which are the major threats for cashless transactions.

Everyone from the society should have access to an electronic system that they can use for such transactions. Government should take measures to increase liquidity into the system so that people face less inconvenience.

Society has to play a vital role. They have to understand the significance of cashless economy and appreciate the measures taken by the Government. As a conclusion it can be said that going cashless provided a lot more benefits than just convenience to people, businesses and the Government in particular.

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CONSUMER BRAND PREFERENCE AND SWITCHING BEHAVIOR IN CELLULAR SERVICE INDUSTRY –MADURAI DISTRICT

Dr. S. Vasundhara and P. Vijayasairam

Assistant Professor, Thiagarajar College, Madurai

ABSTRACT

The fastest growing service industry in India is the cellular service industry which made far-reaching changes in the global recognition of the overall economic development of the nation. The present researches were conducted to understand the brand preference and switching behavior of customers in Madurai district. A sample of 105 cellular service users was interviewed through structured interview schedule by considering the variables on the demographic profile, brand preference towards the services offered by the cellular operators, and factor affecting the switching behavior of the customers. The tools used for analysis is “regression analysis”. The study inferred that brand preference has attracted customers on their network coverage, offers, and availability wherein the demographic profile of age and occupation of the respondents has also influenced brand preference. Where it comes to switching behavior only the service patterns of the cellular service providers on offers and availability has influenced more.

Keywords: Brand Preference, Switching behavior, Cellular service industry, Regression analysis

INTRODUCTION

The Indian telecom industry has experienced huge changes since its liberalization in the 1990's. India's subscriber base has rushed forward over the years to a size that's more than triple. India is the second biggest in the total number of cellular service utilization. The number of telephone subscribers in India increased from 1,002.05 million at the end of May-15 to 1,006.96 million at the end of June- 15. This shows a monthly growth rate of 0.49 % - TRAI (2015) [13]. The cellular service industry has enhanced the affordability of cellular service at affordable rates and tariffs to the customers'. As there are more options for selecting the cellular operators, the customers now have the choice to choose their preferred operator and switch from one operator to another. This has made the cellular sector more competitive than any other service sector in India. The aim of this study is to understand the brand preference and switching behavior of consumer in selecting the cellular operator in Madurai District.

Figure-1

Highlights of Telecom Subscription Data as on 30th June, 2015

| Particulars | Wireless | Wireline | Total (Wireless+ Wireline) |
|--|---------------|--------------|-------------------------------|
| Total Telephone Subscribers (Million) | 980.81 | 26.15 | 1006.96 |
| Net Addition in June, 2015 (Million) | 5.02 | -0.12 | 4.91 |
| Monthly Growth Rate | 0.51% | -0.44% | 0.49% |
| Urban Telephone Subscribers (Million) | 562.95 | 21.25 | 584.21 |
| Net Addition in June, 2015 (Million) | 4.12 | -0.07 | 4.05 |
| Monthly Growth Rate | 0.74% | -0.32% | 0.70% |
| Rural Telephone Subscribers (Million) | 417.85 | 4.90 | 422.75 |
| Net Addition in June, 2015 (Million) | 0.90 | -0.05 | 0.85 |
| Monthly Growth Rate | 0.22% | -0.97% | 0.20% |
| Overall Tele-density* | 77.90 | 2.08 | 79.98 |
| Urban Tele-density* | 144.25 | 5.45 | 149.70 |
| Rural Tele-density* | 48.10 | 0.56 | 48.66 |
| Share of Urban Subscribers | 57.40% | 81.27% | 58.02% |
| Share of Rural Subscribers | 42.60% | 18.73% | 41.98% |
| Broadband Subscribers (Million) | 93.15 | 15.70 | 108.85 |

Brand does not exist for the sake of identification and differentiation. They exist because of for-and-of customers - Harsh V Verma (2002) [1]. Brand preference is a unique term and it is fundamentally framed with more than one part. The Indian telecommunication sector has an overdose of brand service providers. The foremost step of customer's brand preference is to understand customer choice. Even if the services are same the component of branding is differentiated in introducing them - Ramulu Bhukya (2013) [8]. To make the product different from another product branding has the greater advantage in an organization which is obvious. If the cellular industry identifies the brand preference of the customers, then it would be simple for the industry to build a long-term relationship.

The customer's faces huge options to actually reach their satisfaction in choosing the brand - Harsh V Varma (2002) [1]. They also have to be attracted and they should experience the strength of service offered by the cellular operator. The most difficult job for the present day for network providers is to hold their customers. The service provider has to hold the existing consumer than attracting new ones. Consumer behavior is a process where they select utilize and discard the products, services, knowledge, or thoughts to fulfill their needs. Switching behavior of customers can be expressed as the process of being loyal to the current service provider and switching to another service provider, due to dissatisfaction or any other problem. Even if the customers are loyal to a particular brand, if the brand does not satisfy the customers' needs, the consumer switches to a competitor brand - Kumaresh (2012)[6]. The Switching behavior has to be considered as a prime factor for the growth of the cellular. The reasons may differ from one customer to another on their switching of service but the operators have to attract more customers than targeting on the new customer to existing one.

LITERATURE REVIEW

Brand Preference and Switching Behavior

The cellular service provider should mainly focus on the network coverage to retain their customer and also to increase their market shares concludes Debarati and Ishita (2010) [2].

Mobile phone service providers have to recognize the changing preferences and the behavior of customer's curiosity in order to serve them better and satisfy them. As there is heavy competition in the cellular industry it is important for a cellular service provider to keep an eye on customer's preference and behavior to capture the market concludes Rajpurohit and Vasita (2011) [3]

The choice of a mobile operator brand was more dependent on its key attribute of network coverage than any other attributes concludes *Anthony and Francis (2011)* [4].

As there are more options in selecting the cellular service operator's unsatisfied customers tend to switch easily concludes *Krishnamurthy and Varalakshmi (2011)* [5].

Most of the respondents in this study stated that there are poor network coverage and no promotion and offers as their major problem is their past service providers concludes *Kumaresh and Sekar (2012)* [6].

The cellular operator has to give importance to network coverage and tariff plans with excellent customer service providing with good promotional offers to satisfy the customers which will constitute brand loyalty which leads to brand preference concludes *Ramulu and Sapna (2013)*[8]

If there is high brand loyalty then there will be fewer customers on brand switching also the cellular industry have to create appropriate strategies to focus on the needs, wants and expectations of the customers suggest *Sarwat Afzal (2013)* [7]

Value-added services and pricing strategies are the major two influencing factors for consumer behavior while switching the brands in the telecommunication industry concludes *Khushboo, Nidhi, and Swaranajeet (2014)* [9]

Awareness of services should be needed for all age group. The intention of switching behavior of customers from one service provider to another is very low concludes *Sana (2014)* [10].

Network coverage has much impact on switching intention because all the cellular companies are not providing the almost same level of network coverage concludes *Zahra Zahid (2015)* [11].

Companies can recognize the available strategies and tools for retaining the customer suggests *Zeeshan (2015)* [12].

OBJECTIVES OF THE STUDY

- To evaluate the brand preference and switching behavior from different possible demographics.
- To know the brand preference towards the services offered by the cellular operator.
- To find the factors influencing the switching behavior of the customers.

HYPOTHESES

H₀: There is no significant association between age and brand preference.

H₁: There is a significant association between age and brand preference.

H₀: There is no significant association between occupation and brand preference.

H₁: There is a significant association between occupation and brand preference.

RESEARCH METHODOLOGY

| Research Design | Descriptive Research |
|-------------------------|--|
| Data Collection | Primary Data: A personally designed structured questionnaires were used for data collection. Secondary Data: Literature reviews, books, and articles. |
| Sampling | Convenience sampling techniques were used. |
| Tools for Data Analysis | Regression analysis and Test of Association |
| Number of Samples | 105 |

*Limitation: - Data's were collected till 2015

DATA ANALYSIS

Brand Preference on Cellular Service Providers in Madurai District

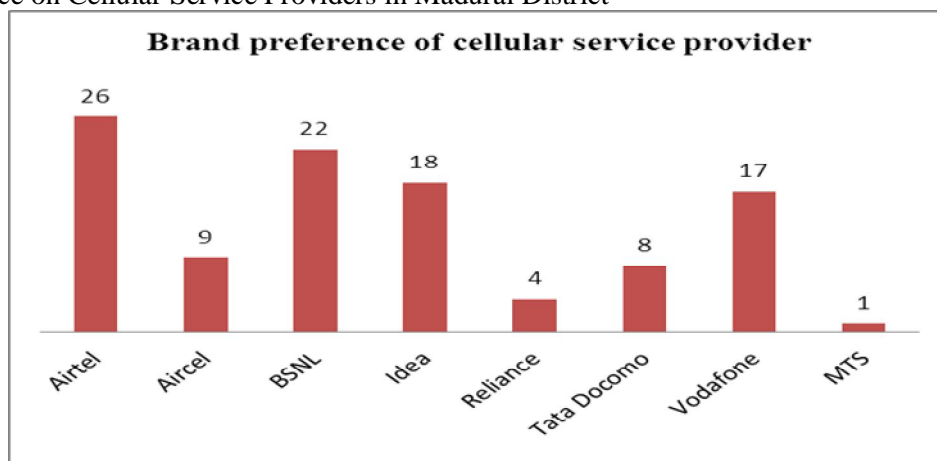


Figure-II

Figure II, we can get a clear picture of the brand preference of customers in Madurai district. Where Airtel stands first preference with 26 respondents and BSNL in second with 22 respondents followed by Idea with 18 respondents and Vodafone at fourth place with 17 respondents, followed by Tata Docomo with 8 respondents and Reliance with 4 respondents and last comes the MTS operator.

Table-I: Test of Association between Brand Preference and Age Group

| Variable | n | Brand preference Variable | | | | Likelihood ratio | Sig. |
|--------------|-----|---------------------------|--------|-----------------------|--------------|------------------|--------|
| | | Network coverage | Offers | Customer Care Service | Availability | | |
| AGE | | | | | | 26.396 | P<.000 |
| Below 20 | 54 | 30 | 8 | 6 | 10 | | |
| 21-30 | 28 | 9 | 5 | 8 | 6 | | |
| Above 30 | 23 | 2 | 2 | 5 | 14 | | |
| Total | 105 | 41 | 15 | 19 | 30 | | |

Since more than 20% of the expected counts are less than 5, the likelihood ratio is used instead of chi-square.

Inference: Table I to investigate whether age and the reasons for brand preference are associated or not, a chi-square statistic was used. Likelihood ratio = 26.396, DF=6, N=105, $p < .001$. So the null hypothesis is rejected in favor of the alternative hypothesis. Hence, there is a significant association between age group and brand preference of the respondents.

Table-II: Test of Association between Brand Preference and occupation

| Variable | N | Brand preference Variable | | | | Likelihood ratio | Sig. |
|---------------------|-----|---------------------------|--------------|------------------|-----------------------|------------------|--------|
| | | Offers | Availability | Network Coverage | Customer Care Service | | |
| OCCUPATION | | | | | | 18.991 | P<.001 |
| Student | 38 | 20 | 7 | 5 | 6 | | |
| Government Employee | 45 | 16 | 11 | 13 | 5 | | |
| Private Employee | 22 | 13 | 3 | 2 | 4 | | |
| Total | 105 | 49 | 21 | 20 | 15 | | |

Inference: Table II to investigate whether occupation and the reasons for brand preference are associated or not, a chi-square statistic was used. Since more than 20% of the expected counts are less than 5, the likelihood ratio is considered instead of chi-square. Likelihood ratio = 18.991, DF=6, N=105, $p < .001$. So the null hypothesis is rejected in favor of the alternative hypothesis. Hence, there is a significant association between occupation and brand preference of the respondents. From the above table, it can be inferred that *students and private employers* are more likely than expected to prefer the brand due to *offers* than the other groups. *Government employers* are more likely and expected to prefer *network coverage* than the other groups.

Regression Analysis: Simultaneous multiple regression analysis summaries for Brand Preference on the pattern of service offered by the cellular industry. Where N=105

Table-III: Test of Association between Brand Preference with the dependent variable and independent variable

| Variables | Unstandardised Coefficients B | Standard error | Standardized Coefficients Beta |
|-----------------------|-------------------------------|----------------|--------------------------------|
| Constant | -1.254 | 0.228 | |
| Offers | 0.335 | 0.101 | 0.260** |
| Availability | 0.351 | 0.137 | 0.249* |
| Network Coverage | 0.414 | 0.107 | 0.310** |
| Customer care Service | 0.056 | 0.113 | 0.041 |

Note $R^2=0.789$; $F(4,100)=93.67$, $p<0.001$, $p<0.001$ * $p<0.05$ ** $p<0.01$

Inference: Table III showing the multiple regressions were conducted to determine the best linear combination of Offers, Availability, Network coverage and Customer care service for predicting Brand preference scores. This combination of variables significantly predicted Brand preference, $F(4,100)=93.67$, $p<0.001$, with all variables except Customer care service significantly contributing to the prediction. So the null hypothesis is rejected in favor of the alternative hypothesis. Hence independent variables significantly influence the dependent variable Brand preference. The beta weights, presented in Table III, suggest that Network coverage contributes most for predicting Brand preference, which is followed by Offers and Availability. The adjusted R^2 value was 0.789. This indicates that 78% of the variance in Brand preference was explained by the model. According to Cohen (1988), this is a large effect. The unstandardized coefficients indicate the increase independent variable for a one-unit increase in the independent variable. The regression model, constructed with unstandardized coefficients is given below.

Brand preference = $-1.254 + 0.335(\text{offers}) + 0.351(\text{Availability}) + 0.414(\text{Network Coverage})$

Table-IV: Test of Association between switching behavior with dependent variable and independent variable

| Variables | Unstandardised Coefficients B | Standard error | Standardized Coefficients Beta |
|-----------------------|-------------------------------|----------------|--------------------------------|
| Constant | -1.013 | 0.248 | |
| Availability | 0.297 | 0.107 | 0.231** |
| Network Coverage | 0.312 | 0.122 | 0.220* |
| Offers | 0.368 | 0.095 | 0.276** |
| Customer care service | 0.053 | 0.100 | 0.036 |

Note $R^2=0.742$; $F(4,100)=89.45$, $p<0.001$, $p<0.001$ * $p<0.05$ ** $p<0.01$

Inference: Table IV showing the multiple regressions were conducted to determine the best linear combination of Availability, Network coverage, Offers, and Customer care service for predicting switching behavior scores. This combination of variables significantly predicted switching behavior, $F(4,100)=89.45$, $p<0.001$, with all variables except Customer care service significantly contributing to the prediction. So the null hypothesis is rejected in favor of the alternative hypothesis. Hence independent variables significantly influence the dependent variable switching behavior. The beta weights, presented in Table 4, suggest that offers contribute most for predicting switching behavior which is followed by network coverage and availability. The adjusted R^2 value was 0.742. This indicates that 74% of the variance in switching behavior was explained by the model. According to Cohen (1988), this is a large effect. The unstandardized coefficients indicate the increase independent variable for a one-unit increase in the independent variable. The regression model, constructed with unstandardized coefficients is given below.

Switching behavior = $-1.1013 + 0.297(\text{Availability}) + 0.312(\text{Network coverage}) + 0.368(\text{offer})$

CONCLUSION

It is inferred from the study that customers have plenty of decisions in choosing their brand and services cellular service providers as there are more than six operators in Madurai district. The study was conducted to know the various factors in finding the brand preference on network coverage, availability, offers, and customer care service. The conclusion as per the research as follow:

Findings on Brand preference with age of the respondents:

Network coverage and offers are mostly preferred by the by age group below 20 years of respondents and age group of 21-30 of respondents. Availability is the most preferred by age group above 30. Yet at the same time, customer care service is less preferred by the respondents.

Findings on Brand preference with occupation of the respondents:

When occupation influence brand preference on services offered by the cellular operator, students, and private employees prefer their brand for the offer. Network coverage was preferred by government employees. When it comes to occupation customer care service has less influence with brand preference.

The Cellular service providers have to improve their customer care service for making their customers reaches and satisfy the services offered by them as there is heavy competition in the cellular service industry. It is also clear from the study that age and occupation play a significant role in selecting a cellular service provider. As brand preference exists in the minds of the customers and prospect.

Findings on brand preference and switching behavior:

Network coverage, offers, and availability are the major services for brand preference of the customers. When it comes to switching behavior customers switch from one service to another because of offer and availability provided by the service providers. It is with the belief that the service providers can retain their customers by providing them with their preferred services and support customers to stay with their current service provider.

But the cellular service provider faces challenges in improving their service better day by day by providing the customers with more offers and services. At the same time, the customers are choosier in selecting their desired services and operator that satisfy their needs because uniformity in service and offers cannot be provided by the cellular operator. Nowadays customers are very much flexible in selecting their cellular operators as the operators provide the customers with low call rates, more offers, and affordability in services which make the customers choose two operators at the same time. The customers experience the services through two operators at the same time are satisfied with the brand preference and switching behavior.

We have a couple of restriction in the study but to get the right inference we can target more respondents to infer the exact information on brand preference and switching behavior. As the study can be extended to other services offered by the cellular industry with consideration of more respondents.

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IMPACT OF TECHNOLOGY IN SUPPLY CHAIN OF PHARMACEUTICAL INDUSTRY

Shruti Senthil Kumar¹, Prakash² and Dr. Kavitha Jayakumar³Student^{1,2} and Assistant Professor³, Christ (Deemed to be University), Bangalore**ABSTRACT**

This Paper Analyses The Impact Of Technology of Supply Chain of Pharmaceutical Industry In India. This Industry In India Spends About One-Third Of Its Revenue From The Supply Chain management .Supply Chain Management Is Considered As An Important Function For Many Companies, And It Is To Increase The Sale Of The Company. The Main Purpose Of Study Is To Improve The Growth Of This Industry In India And Also To Access The Efficiency Of Pharmaceutical Products In Service Delivery. The Main Indication For A Social Change Includes Potential To Reduce The Risk Caused Due To Supply Chain, Which Would Lead To Reduction In Price For Consumers, Increase In Satisfaction For Stakeholders And Improvement In Standard Of Living.

Keywords: Supply Chain, Enterprise Resource Planning, Cost Impact, Social Change, Technology.

INTRODUCTION

India is one of the largest providers of generic drugs globally. Indian pharma sector industry supplies over 50 percent of global demand for various vaccines, 40 percent in US and 25 percent of all medicine in United Kingdom. The pharmaceutical sector was valued at us\$33 billion in 2017.

India's pharmaceutical exports stood at us\$17.27 billion in 2017-2018. In 2018-2019 these exports are expected to cross us\$19 billion.

In such a huge industry the impact of technology is very high. In this study we are only studying the retailers and how the technology with impact the retail stores.

In the present context of a health-conscious society, management of pharmaceutical supply chains has become more complex because it involves the life-saving interest of human being and requires the participation of different stakeholders such as pharmaceutical manufacturers, wholesalers, distributors, customers, information service providers and regulatory agencies. In today's highly competitive pharmaceutical market place, it is important for business to innovate new ways to streamline their supply chain and optimize productivity.

Technology can help to simplify your supply chain management, which will enable your business to operate more efficiently, give you more visibility, control over your inventory and reduce your operational cost. Additionally, through a more stable and efficient supply chain you can greatly enhance customer satisfaction and retention. The research hence aims to understand to what extent technology has been an impact in supply chain of pharmaceutical industry.

WHY IS IT ESSENTIAL?

The technology has a significant impact on various factors of the retail store. In this technology driven market it is important to adapt to various trends and technology to cope up with the market and also get a competitive advantage over the other retail stores. Technology that is used in the retail stores are enterprise resource planning, inventory management and radio frequency identification device. The other technology that can be used in the retail store is big data and artificial intelligence.

Enterprise resource planning: enterprise resource planning is a software that aids in managing the business. Supply chain is a part of business, with multiple dependencies between finance, manufacturing, purchasing and sales.

RFID: radio frequency device uses radio frequencies to identify objects with a chip attached or inserted in it. This facilitates better efficiency and saves time of the retailers

Inventory management: stock of a pharma industry is the most important asset of the business. A firm's inward and outward of inventory is deterministic. On the other hand excess of inventory or shortage of inventory also incurs cost to the business. This brings the necessity of managing the inventory which many software and methods like LIFO and FIFO lend a helping hand.

Artificial intelligence: AI helps predict the demand forecast of medicine. Though this is a new disrupter, it is becoming very efficient in predicting the demand so the entire supply chain can work by aligning to it, but this will require a very accommodative line of supply chain.

Big data: Big data is another technology that is rapidly growing and could become very handy for the owners in making all types of data driven decisions. By collecting large amount of data the owners of the retail stores can also use it for predictive modelling and demand forecasting etc.

LITERATURE REVIEW

Ganesh and Zoher (2013) carried out a study on enhancement of supply chain management in pharmaceutical industry and the incorporation of electronic means in distribution. The study used factor analysis to determine the predominant factors towards using e-channels. The study concluded that digital technology use in managing channels was essential to the success and ultimate growth of the particular industry. Those benefits not highlighted include the revenue benefit, improvement in channel relationships, reduced attrition levels, staff and channel satisfaction.

Grackin (2010) stated that embracing digital technology use in moving of goods, labelling, inventory management, invoicing, climate control monitoring overall led to greater efficiency, effectiveness and a substantial reduction of costs.

Rosenbloom (2007) observed that the benefits of using electronic marketing channels are now at a worldwide scope as well as reach, information processing efficiency, quick transaction processing, effective database management, and reduction in the cost of sales and distribution. Several advantages far exceed the disadvantages.

Scott and Scott's study (2011) concluded that the utilization of innovative digital platforms is not optimized in the business run by the pharmaceutical industry. Tools such as mobile phones, e-mail, and social media are rarely, if ever, used. Worth noting also is the Business Person's Guide to Channel Management Software published in 2011. The guide considers Channel Management Software a particularly unique service through which to grow channel revenue, develop customer loyalty as well as administer all channel needs in an easily accessible central location.

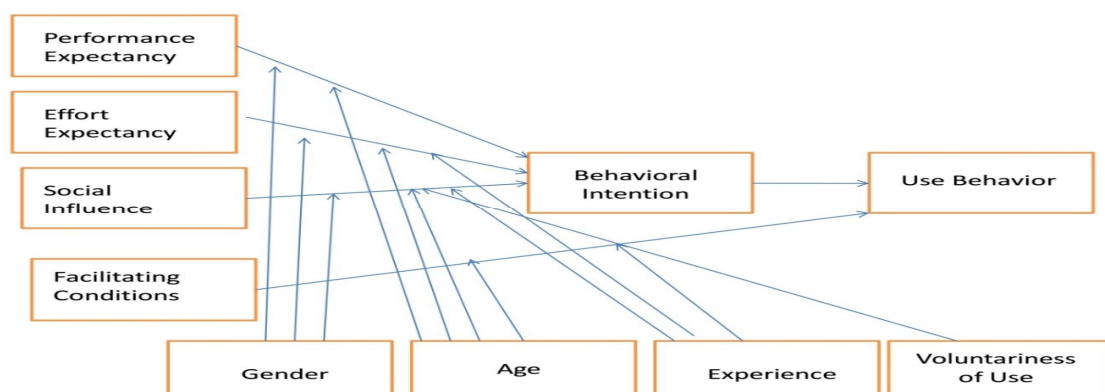
Technology Acceptance Model, abbreviated as TAM, was advanced by Davis in 1986. It deals with the prediction of how acceptable an information system is. The Davis model is designed to predict how acceptable a tool is and to also identify which modifications should be made to a system to make it readily acceptable to users. The model goes on to propose that the perceived usefulness as well as perceived ease of use determine acceptability of an information system.

FRAMEWORK

Unified Theory of Acceptance & Use of Technology (abbreviated as UTAUT) The UTAUT is recognized as a unified model. It was developed by Vankatesh et al (2003) who based the model on the social cognitive theory. These scholars combined eight prominent information technologies, or IT acceptance research models. These authors in particular examined the ultimate predictive validity of eight specific models in determining the behavioral intention as well as usage to permit fair comparison of the selected models. The UTAUT states that, for an individual, actual use of an information system is directly influenced by the facilitating conditions. However, this use is indirectly influenced by various factors that include performance expectancy, social conditions and effort expectancy. UTAUT model integrates the issues into four main core determinants. These are: effort expectancy (EE), performance expectancy (PE), facilitating conditions (FC), and social influence (SI).

Four control variables are also included and these are

- Experience
- Age
- Gender
- Volunterness of use



OBJECTIVE OF THE STUDY

The objective of this study was to undertake research that would determine the impact of technology on the pharmaceutical industry's supply chain.

- i. To understand the Cost of distribution.
- ii. To assess the efficiency in service delivery.
- iii. To understand Growth of the pharmaceutical industry.
- iv. To study Inventory management.

VARIABLES**Dependent variable**

- TECHNOLOGY ADOPTION

Independent variable

- PERFORMANCE EXPECTANCY
- EFFORT EXPECTANCY
- SOCIAL INFLUENCE
- FACILITATING CONDITION
- DEMOGRAPHIC FACTORS(AGE, EXPERIENCE, VOLUNTERNESS,GENDER)

HYPOTHESIS

H₀- performance expectancy has an impact on technology adoption.

H_A-performance expectancy does not have an impact on technology adoption.

H₀- effort expectancy has a significant impact on technology adoption.

H_A- effort expectancy does not have an impact on technology adoption.

H₀- social influence has a significant impact on technology adoption.

H_A- social influence does not have an impact on technology adoption.

H₀- facilitating condition has a significant impact on technology adoption.

H_A- facilitating condition does not have an impact on technology adoption.

H₀-Demographic factors has a significant impact on technology adoption.

H_A- Demographic factors does not have a significant impact on technology adoption.

RESEARCH DESIGN

The research is basically conducted through only collection of primary data. The research measures both qualitative and quantitative data. questions asked to the respondents is also response based questions.

A) Sampling Method

Out of all the all sampling methods we have chosen Simple random sampling under probability sampling. We have selected medicine stores in and around the Bangalore randomly. The sample size was 60 collected from areas like electronic city, Anekal, hsr layout, banshankri, and bommasandra. Our main objective was to find different options about technology whether it helps in supply chain or not.

We prepared questionnaire with questions under different categories like performance expectancy, effort expectancy social and facilitating expectancy. We have chosen random sampling because we want to have diverse options from different sizes of stores.

B) Data Collection source

We have chosen to work with Primary data which means original data been **collected** especially for the purpose in mind. It means someone collected the data from the original source first hand. Data collected this way is called primary data.

Common sources of secondary data

- Interviews
- Questionnaires and Surveys

- Observations
- Focus Groups
- Ethnographies,
- Oral History,
- And Case Studies.

We have used Questionnaire method which we prepared in from format and have given options stating from strongly agreed to strongly disagree. We collected data from different medicine shops around 60 Questionnaires we got responses on. This all Methodology we used to collect data from the sources and get maximum responses from them.

ANALYSIS :MEASUREMENT MODEL

Construct Reliability and Validity

| | Cronbach's Alpha | Composite Reliability | Average Variance Extracted (AVE) |
|----|------------------|-----------------------|----------------------------------|
| BI | 0.646 | 0.799 | 0.573 |
| EE | 0.734 | 0.826 | 0.549 |
| FC | 0.490 | 0.783 | 0.648 |
| PE | 0.821 | 0.881 | 0.651 |
| SI | 0.600 | 0.738 | 0.493 |

Here, in construct reliability and validity cronbach's alpha should be above 0.7 to accept which allows to move further in doing analysis. But, when you see BI, FC, SI values are below 0.7 because of limited sample size and also minimum 0.6 is acceptable to move further as BI and SI are touching 0.6 its acceptable. Later, FC has only 0.4 as lacking in sample size in future with better researches these values might change.

Then composite reliability, also should be greater than 0.7. here, all the values are satisfied and acceptable.

Average Variance Extracted , should have values above 0.5 . BI, EE,FC,PE values are acceptable but when it comes to SI its below 0.5 that is 0.493 because of same problem mentioned above that is limited sample size. But, as the value is almost near to 0.5 it is acceptable.

Discriminate validity

| Fornell-Larcker Criterion | BI | EE | FC | PE | SI |
|---------------------------|-------|-------|-------|-------|-------|
| BI | 0.757 | | | | |
| EE | 0.412 | 0.741 | | | |
| FC | 0.392 | 0.349 | 0.805 | | |
| PE | 0.668 | 0.596 | 0.271 | 0.807 | |
| SI | 0.422 | 0.149 | 0.192 | 0.355 | 0.702 |

In discriminate validity, the diagonal values that is 0.757, 0.741, 0.805, 0.807 and 0.702 are the square values of average variance extracted (0.573, 0.549, 0.648, 0.641, 0.493) and the corresponding values below diagonal values that are correlation and co-efficient should be less than compared to diagonal ones, then its said to be achieved.

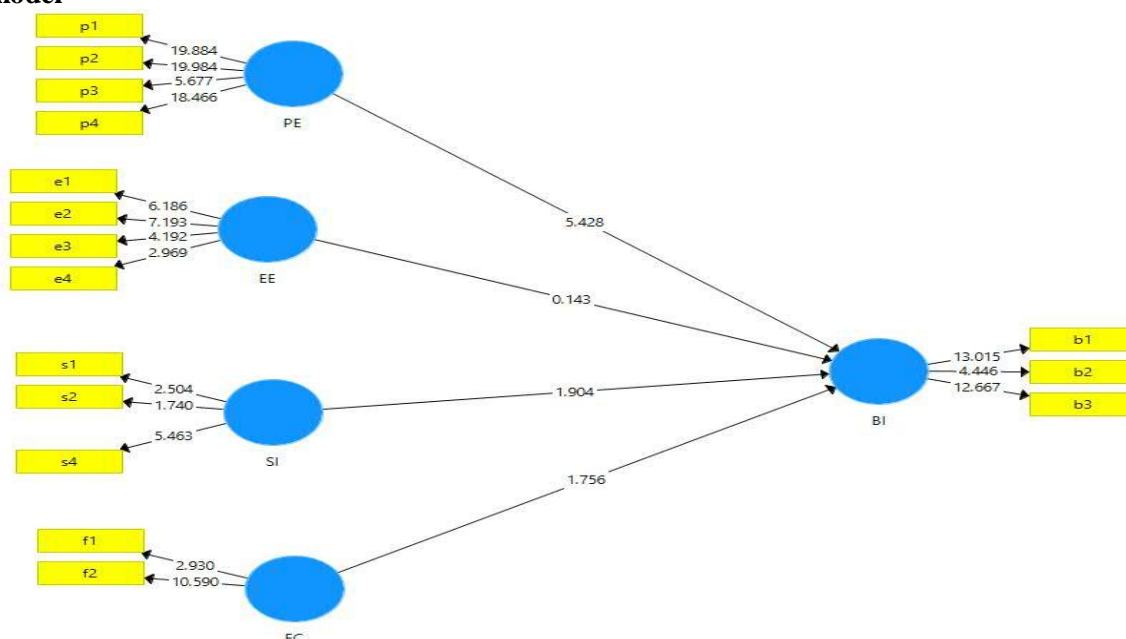
Heterotrait-Monotrait Ratio (HTMT)

| | BI | EE | FC | PE | SI |
|----|-------|-------|-------|-------|----|
| BI | | | | | |
| EE | 0.558 | | | | |
| FC | 0.618 | 0.530 | | | |
| PE | 0.858 | 0.756 | 0.418 | | |
| SI | 0.493 | 0.338 | 0.302 | 0.401 | |

In Heterotrait-Monotrait ratio, the values that are interpreted should be above 0.85 then its said to be achieved and we can further move with analysis

Here, as the values after calculating are above 0.85 its achieved and can further process with analysis.

Structural model



P- Performance expectancy

E- Effort expectancy

S- Social influence

F- Facilitating conditions

P3, p4, s3 were removed from the model because the analysis did not give a positive result. P3 and p4 does not have any effect on the variable performance expectancy. Likewise, S4 also does not have any effect on the variable social influence.

Bootstrapping

Mean, STDEV, T-Values, P-Values

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics ((O-STDEV)) | P Values |
|---------|---------------------|-----------------|----------------------------|--------------------------|----------|
| EE → BI | -0.024 | 0.031 | 0.167 | 0.143 | 0.886 |
| FC → BI | 0.214 | 0.194 | 0.122 | 1.756 | 0.079 |
| PE → BI | 0.558 | 0.546 | 0.103 | 5.428 | 0.000 |
| SI → BI | 0.187 | 0.194 | 0.098 | 1.904 | 0.057 |

Here, PE has more influence on BI when compared to any others as PE has the highest T value that is above 5 and about p value PE is nearest to 0.1

(p value generally it should be less than 0.1 as possible)

Then, after PE most influential on BI is SI as its T value is 1.904 (high number after 5.428) and its p value is 0.057.

Likewise, after PE, SI, FC has more influence on BI as third high T value is 1.756 (high number after 5.428 and 1.904) and its p value is 0.079.

Least influential on BI is EE when comparing with T values and P values.

Multi-group analysis

This allows to know if defined data groups has significant difference in their group or not.

Age group (young, elder)

| | Path Coefficients (Age_Young) | Path Coefficients (age_elder) | t-Values (Age_Young) | t-Values (age_elder) |
|----------|-------------------------------|-------------------------------|----------------------|----------------------|
| EE -> BI | -0.028 | 0.083 | 0.687 | 0.050 |
| FC -> BI | 0.327 | -0.005 | 2.039 | 0.131 |
| PE -> BI | 0.537 | 0.678 | 3.120 | 4.337 |
| SI -> BI | 0.219 | 0.184 | 0.816 | 1.423 |

| | p-Values (Age_Young) | p-Values (age_elder) | Path Coefficients-diff (| t-Value(Age_Young vs | p-Value(Age_Young vs age_elder) |
|----------|----------------------|----------------------|--------------------------|----------------------|---------------------------------|
| EE -> BI | 0.492 | 0.960 | 0.146 | 0.433 | 0.667 |
| FC -> BI | 0.042 | 0.896 | 0.385 | 1.600 | 0.115 |
| PE -> BI | 0.002 | 0.000 | 0.071 | 0.284 | 0.777 |
| SI -> BI | 0.415 | 0.155 | 0.108 | 0.445 | 0.658 |

Experience (high, low)

| | Path Coefficients (experience_high) | Path Coefficients (experience_low) | t-Values (experience_high) | t-Values (experience_low) |
|----------|-------------------------------------|------------------------------------|----------------------------|---------------------------|
| EE -> BI | 0.047 | 0.087 | 0.275 | 0.077 |
| FC -> BI | 0.213 | 0.133 | 1.774 | 1.006 |
| PE -> BI | 0.642 | 0.543 | 3.716 | 3.908 |
| SI -> BI | 0.067 | 0.302 | 0.300 | 2.400 |

| | p-Values (experience_high) | p-Values (experience_low) | Path Coefficients-diff (ex | t-Value(experience_high v | p-Value(experience_high vs |
|----------|----------------------------|---------------------------|-------------------------------|---------------------------|----------------------------|
| EE -> BI | 0.783 | 0.938 | 0.054 | 0.179 | 0.859 |
| FC -> BI | 0.076 | 0.315 | 0.102 | 0.422 | 0.674 |
| PE -> BI | 0.000 | 0.000 | 0.074 | 0.319 | 0.751 |
| SI -> BI | 0.764 | 0.016 | 0.232 | 1.076 | 0.286 |

Gender (male, female)

| | Path Coefficients (Gender_Male) | Path Coefficients (Gender_female) | t-Values (Gender_Male) | t-Values (Gender_female) |
|----------|---------------------------------|-----------------------------------|------------------------|--------------------------|
| EE -> BI | 0.179 | 0.152 | 0.544 | 0.633 |
| FC -> BI | 0.260 | -0.164 | 1.887 | 1.044 |
| PE -> BI | 0.379 | 0.625 | 2.034 | 3.637 |
| SI -> BI | 0.162 | 0.099 | 1.073 | 0.720 |

| | p-Values (Gender_Male) | p-Values (Gender_female) | Path Coefficients-diff (| t-Value(Gender_Male vs fe | p-Value(Gender_Male v |
|----------|------------------------|--------------------------|--------------------------|---------------------------|-----------------------|
| EE -> BI | 0.587 | 0.527 | 0.068 | 0.176 | 0.861 |
| FC -> BI | 0.059 | 0.296 | 0.586 | 1.975 | 0.053 |
| PE -> BI | 0.042 | 0.000 | 0.280 | 0.955 | 0.344 |
| SI -> BI | 0.283 | 0.472 | 0.019 | 0.063 | 0.950 |

AGE

1) In multi group analysis, when analysing age group first, by looking at the p Value (age_young) and p value (age_elder) out of all EE-BI, FC-BI, PE-BI and SI-BI, FC has more influence on BI because it's closest to significance level 0.1. Here by after analysing, it expresses that the relationship is only significant for young age group but not for the elder group

EXPERIENCE

2) In multi group analysis, when analysing age group first, by looking at the p Value (experience_high) and p value (experience_low) out of all EE-BI, FC-BI, PE-BI and SI-BI, SI has more influence on BI because it's closest to significance level 0.1

Here by after analysing, it expresses that the relationship is only significant for low experienced workers but not for more experienced people

GENDER

3) In multi group analysis, when analysing age group first, by looking at the p Value (gender_male) and p value (gender_female) out of all EE-BI, FC-BI, PE-BI and SI-BI, FC has more influence on BI because it's closest to significance level 0.1. Here by after analysing, it expresses that the relationship is only significant and has difference for gender male group but not for the female group

DISCUSSION AND FUTURE RESEARCH

The analysis says that there is technology adoption with these variables and all the independent variable effect the depend variable which is technology adoption. If all the retail stores now plan to invest in technology the returns from it is guaranteed. Technology will also benefit you in various ways as it was told on why is this essential. Retailers employing technology will get the benefits such as:

- Better efficiency
- Lower cost
- Competitive advantage
- Simplifying tasks

FUTURE RESEARCH

In the future a better research can be carried out by involving more number of sample size, as we had less data points the analysis conducted had reduced and some variables also failed the reliability test.

Another thing that can be done in future research is that the data can be collected from the pharmaceutical manufacturers which will make the research more valid and reliable because the retailers of the pharmaceutical industries rarely involve technology because it is small scale and they don't have enough resource to buy technology.

LIMITATIONS OF THE STUDY

- The data is collected from Pharmacy Executives at Bangalore region and results may not be applicable for wide area.
- The information shared by stores may or may not be true as some data can be confidential.
- The data may be appropriate or may not, since it depends on the individual understanding.
- Even though digital marketing is emerging field it does have its limitations. On OTC (over the counter) products are allowed to be advertised through digital media making it difficult to reach end user in case of prescription medications.
- There were also constraints on time which lead to less data sets.
- Due to the response which was not true, there was a problem with the reliability tests which led to removing some variables.

CONCLUSION

The digital revolution is well under way for pharmaceutical companies. We spoke with 15 leading executives to find out how they cope and what they do to stay ahead. The digital revolution continues to transform healthcare fundamentally, and many people believe that a tipping point is finally within reach. The consensus is that as healthcare continues to digitize, pharmaceutical companies must transform themselves in basic ways to stay competitive. Successful ones will rethink their business and operating models, transform their cultures and capabilities, and adopt a

new, longer-term mind. The study results are important in answering the research objectives, providing conclusions and formulating recommendations of the study to various stakeholders. The results enable conclusions to be made for each objective. The study's first objective was to effectively determine the effect of technology adoption.

Hypothesis 1- ACCEPTED

Hypothesis 2- ACCEPTED

Hypothesis 3- ACCEPTED

Hypothesis 4- ACCEPTED

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A STUDY ON THE FACTORS THAT INFLUENCE PURCHASE INTENTIONS OF MILLENNIAL SHOPPERS TOWARDS ONLINE FASHION RETAILERS

Sudarshan Seshanna¹ and Sumeet S²

Professor¹, CMS Business School, Bangalore

Research Scholar², Jain (Deemed to be University), Bangalore

ABSTRACT

Millennial's consumer is the most dominating and rapidly increasing with high amount of spendable income and dominating purchasing power. Online retailers are trying all they can to attract these millennial consumers towards them as online growing at a fast phase over the passage of time and tasted success in major countries. The objective was to determine factors which influence these millennial consumers towards online fashion shopping in Bengaluru. Perceived ease of use, peer group opinion, perceived usefulness, attitude, perceived risk, and trust are the dimension employed. A total of 350 samples were selected and via a questionnaire from the working professionals of Bengaluru. The dimension of study was developed based on two models Theory of Reasoned Action and Technology Acceptance Model. The study with help of various statistical tools like reliability statistics, coefficient, regression, Anova, partial least square and mean rank was done to test the hypothesis. The results stated in favor of dimensions employed in the study have an positive influence role on millennial's when they decide to shop from online fashion retailers.

Keywords: Millennial's, perceived risk, peer group opinion, perceived ease of use, trust, perceived usefulness, and attitude.

1. INTRODUCTION

Online fashion retailers with internet as an asset have given a new meaning of how consumer shop and buy products online. A large number of e-tailer's enter the online business with an objective of not just selling the product but also to convey, communicate and to take valuable feedback from the consumers. Online retailers are rapidly increasing in various aspect of doing business online. With increase in business players going online for providing an online platform for consumers which very well known to be business to consumers (B2C) in e-commerce. Indian consumers are the leading online users who are very comfortable to buy online for apparels, footwear and fashion accessories when compared with rest of world.

Purchase intention is when a consumer assures oneself to make a repurchase of product again during their next visit. It is a process through which a consumer decided to buy product after continuous evaluation and it is important because the companies would want to increase the sale to maximize profit. While making this decision of buying the product various factors influence intention of consumer like PU, PEOU, PR, Peer Group Opinion, Trust and Attitude. This study will show how the young consumer that is the millennial's make their decision of buying online from a fashion retailers and also to identify those factor which plays an influential role in their purchase intention process. This study would identify those factors that would influence intention of the millennial's shoppers. In a business market where there is a huge competition which is very challenging for the online fashion retailers, this would help the online marketers to focus on few of the specific factors which would give them an upper hand and to attract these millennial's towards their online store.

Millennial's consumers are the ones who very well know their purchasing powers and they spend money more quickly than the other consumer segment, these consumer segments mostly spend on fashionable goods. Millennial's are those who look for instant results and who also have a unique style of communicating things which makes them a stand group of pioneer consumer who always look to have a solid relationship who believes and thinks differently. Millennial's are also those who have a good amount of confident and financially secured than Generation X. These traits of millennial are acts as an advantage to online fashion retailers to attract towards them. India being a country whose majority population are millennial's who belong to age category of 18 to 35 which makes this group of consumers as the most dominant with high spendable income.

2. REVIEW OF LITERATURE

To pick up a superior comprehension of consumer behavior and research done in the field the work of few authors was looked into. Archana Kumar, Lou Pleton(2009) examined the intention of consumers towards US retail brands and local brands based on factors like uniqueness, quality, price and emotional value. Anders Parment (2013) conduct study on baby boomers and millennial consumer with an objective understand the buying process and what the point of difference between them is. S Lissitsa (2016) examined the comparison of internet access of Gen-X and Gen-Y consumer over the last decade to understand which generation does more

of online shopping. Guven Ordun (2015) said that Millennial don't hesitate to shop they are broad minded, social freak, very innovative, much confident, more motivated and off course smart from an optimistic view. Every generation has their own characteristic either affected by changes through the world or they change the world. NaserValaei, S.R. Nikhashemi (2017) "Brand matters" the phrase in which generation Y believes in today with media along with technology impact generation Y either dress to fit in the circle of their friends group or to articulate self-identity. The objective of this paper was to discover the factor which influences the Gen-Y attitude and intention towards online shopping for fashion apparels. Theory of reasoned action later known to Theory of planned behavior, which says a behavior, is predicted by an expectation to play out an explicit activity or a particular behavior. A consumer evaluates several factors before deciding whether to perform a behavior or not. The behavior would only be performed when the intention are strong. Therefore, intention is act as a driver of behavior and there are two fundamental factors that impact behavioral goal which are attitudes towards behavior and subjective norms Eun-Kyong Choi, Padgett, Fowler and Ben Goh (2011) proposed to study what make Generation Y Chinese consumer to buy from U.S fast food restaurants and also to validate the theory

2.1 Research Gap

Gap 1: Researchers have found out a lot about consumers and behavior of online shopping behavior but a little has been researched upon millennial's shopper. In addition, if they have found millennial's shoppers intention towards online retailer but in Indian context not much is researched upon

Gap 2: There have been few studies which focus on intention of consumer considering few dimensions such as risk, ease to use and peer group influence would this be applicable on millennial's and do they match with non-millennial consumers

Gap 3: Research has shown studies largely on urban consumers but they are very less study which focus on rural consumers in India context and if there are research, then those research focus mainly on consumer durable but not much on online shopping for fashion

Gap 4: There was time when consumers used to get attracted and influenced either by advertising or a celebrity in the advertising but things have changed now. Are millennial's influenced by advertising or a celebrity used is to be looked upon because a few researches says that advertising doesn't have much impact on today's consumers

2.2 Theoretical Framework and Hypothesis Development

As a guiding theory this study employed TORA and TAM model. Attitude, intention and subjective norms are adopted from

TORA and on other hand perceived (ease of use, risk and usefulness) were adopted from technology acceptance model. Based on which hypothesis of the study was developed.

2.3 Hypothesis

H1: Millennial perceived usefulness and ease of use of online fashion shopping has an positive influence on the attitude towards online fashion shopping

H2: Perceived risk towards online shopping has a positive relation on the attitude towards online fashion shopping

H3: Millennial attitude towards purchase intention has a positive influence on online fashion shopping

H4: When making a purchase decision, peer group opinion has a positive influence on purchase intention

H5: Millennial's trust on online fashion shopping has a positive impact on purchase intention

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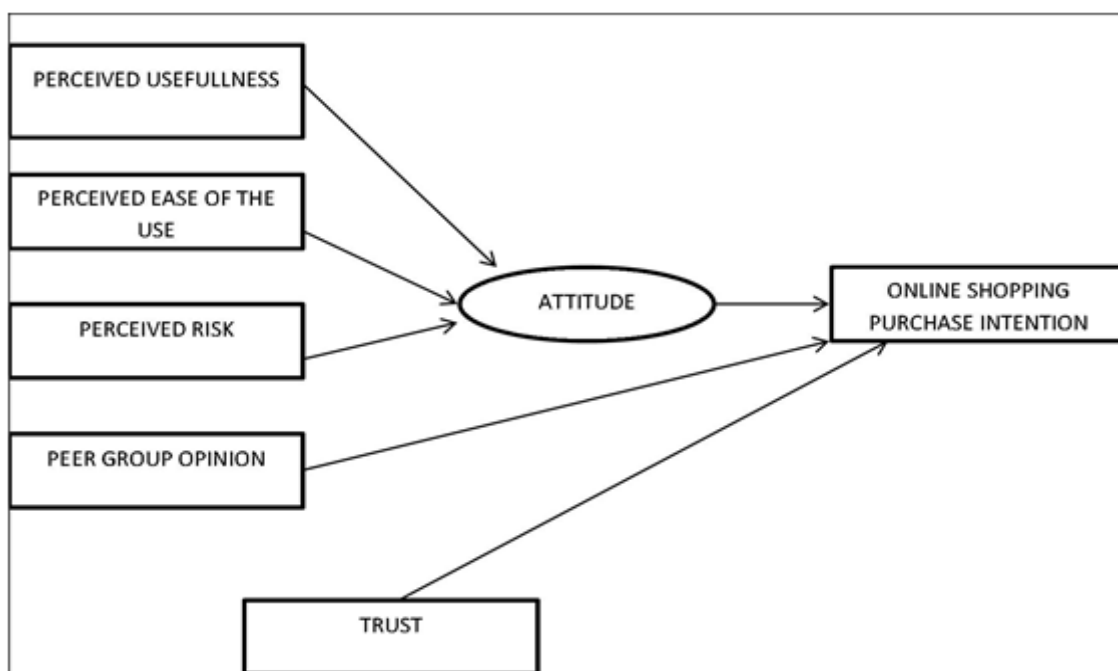
MODEL

Figure-1

The above figure 1 demonstrates the proposed conceptual framework of research question and objectives of research. In the above figure dependent variable online intention of millennial is on the right hand side and variable such PU, PEOU, PR, peer group opinion, attitude and trust. The model is constructed to show relationship between the variables and impact of each independent variable on dependent variable. Research hypotheses would be developed and tested to identify relationships

3. RESEARCH METHODOLOGY**3.1 Research Question**

- Which among the factors perceived (ease of use, usefulness and risk) influence the attitude of millennial's shoppers towards online fashion retailers?
- Do millennial's get influenced by peer group which would influence their attitude towards online fashion retailers
- What role does trust play in influencing the intention of millennials towards online fashion retailers

3.2 Sample and Data Collection

This study mainly focused on age group 24-34 as target population on working professional of Bengaluru city. A self-administered questionnaire was distributed based on judgmental sampling technique. The sample size employed in the study for pilot study 60 respondents and for main study 350 respondents for a 35 item questionnaire.

The questionnaire employed for the study was based on five-point likert scale (1 "Strongly Disagree" and 5 "Strongly Agree")

3.3 Data Analysis Method

The analysis of collected data was done through SPSS statistical software. The methods of statistical tools of analysis used are KMO and Bartlett's Test, Cronbach's Alpha, Mean, Standard deviation, variance, chi-square test, Anova, coefficients and correlation. This study employed confirmatory factor analysis; a statistical tool which is used commonly for testing the hypothesis that would develop a relationship among the variable of the study. This is further done on basis of theory and then to test the hypothesis statistically.

Further the study used two conceptual models to test relationship of the variables on each other and identification of the factor which influence the purchase decision making of the millennial shoppers. The relationship among variables would be shown with help of partial least squares; as partial least square path modeling also specifies the relationship among variables of the study on each other. This model is also used when there is more number of variables in the study along with other statistical tools like Anova.

4. RESULTS

4.1 Demographics of Respondents

A total 350 millennial respondents were part of study. Out of 169 were male respondent and 181 were female respondent that is 48.3% of respondents are male whereas 51.7% of respondents are female.

4.2 Construct Validity and Reliability

To check validity and also reliability of data this study employed KMO and Bartlett's Test and Cronbach's Alpha.

KMO and Bartlett's Test Results

| | | |
|--|--------------------|-----------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | .897 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 15656.933 |
| | Df | 595 |
| | Sig. | 0.000 |

Table-1

The KMO value was 0.897 as shown in Table 1 which satisfy condition that it should be between 0.8 and 1, to indicate the sampling to be adequate

4.3 Cronbach Alpha

In the study, items are here referred as variables which comprised of Perceived ease, usefulness, attitude, intentions, risk, peer group and decision. Total number of 35 questions inclusion of all variables with regards to online shopping behavior checked and revealed croncbach Alpha test was between 0.96 to 0.99. From the tools, it depicted that each variable with regards to online shopping behavior had higher internal consistency

RELIABILITY STATISTICS

| | | |
|------------------|---------------------------|------------|
| | Cronbach's Alpha Based on | |
| Cronbach's Alpha | Standardized Items | N of Items |
| .968 | .970 | 35 |

Table-2

The Cronbach's alpha test results that online shopping behavior score was 0.968 as shown in Table 2 indicating internal consistency was high for the items.

Apart from the above test the study also employed mean rank for each construct of the questionnaire. The other statistical tool employed for the study were Regression, Anova, coefficient and partial least square path modeling for hypothesis testing.

4.4 Hypothesis Testing and Model Fit

Partial Least Square Path Modelling

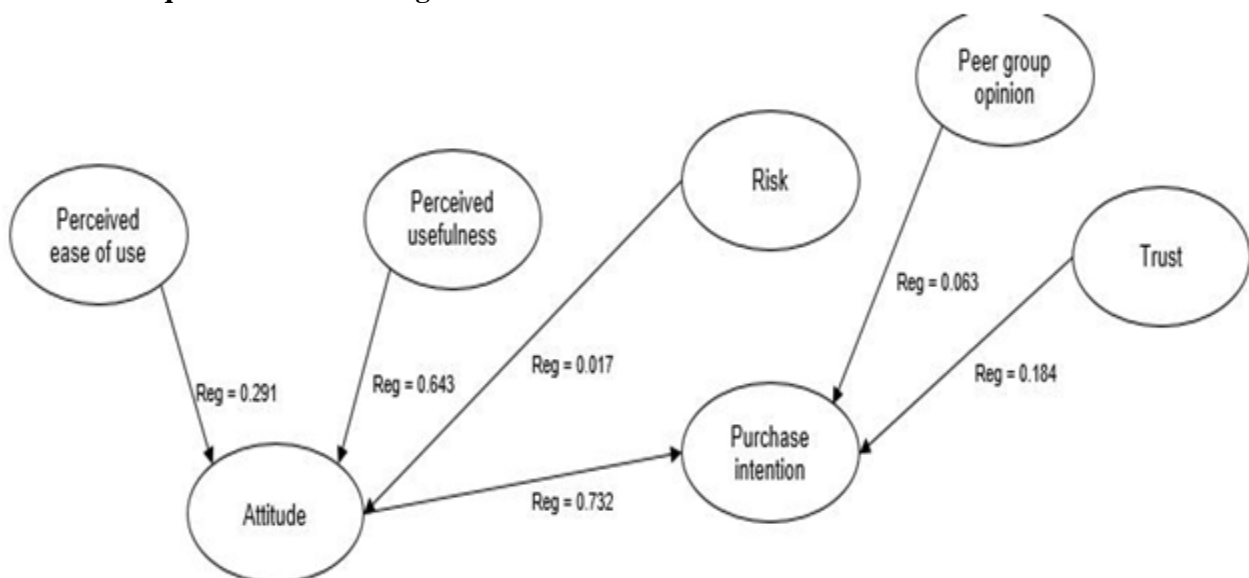


Figure-2

All hypothesis were supported in the PLS Path Modeling approach as seen in Figure 2. Thus, R square 0.869 which is considered as a good result, 86.9% variance as seen in Table 3 in online consumer purchase intention towards customer attitude.

4.5 Result of Path Coefficient and Hypothesis Testing

Result of path coefficient and hypothesis testing

| Latent variable | Value | Standard error | t | Decision |
|-----------------------|-------|----------------|--------|-----------|
| Perceived ease of use | 0.291 | 0.043 | 6.718 | Supported |
| Perceived usefulness | 0.643 | 0.042 | 15.489 | Supported |
| Risk | 0.017 | 0.025 | 0.678 | Supported |
| Attitude | 0.732 | 0.039 | 18.996 | Supported |
| Peer group opinion | 0.063 | 0.024 | 2.600 | Supported |
| Trust | 0.184 | 0.039 | 4.708 | Supported |

Table-3

The above table3 presents the results for path coefficients and hypothesis study in PLS path modeling approach. The path coefficient value for PEOU has a value of 0.291 and standard error of 0.043. The empirical t-value is 6.718 and it is greater than the significance t value of 2.57 for a probability error of 1%. It shows that Perceived ease of use has a strong positive influence on consumers' purchase intention. With reference to attitude, the path coefficient value shows 0.732. The empirical t-value is 18.996, which is greater than significance level for probability error of 4%. Thus it has a weak influence on online consumer purchase intention. With reference to see chance, the way coefficient esteem indicates 0.017. The exact t-esteem is 0.678, which is lesser than the hypothetical t-estimation of 1.65 for likelihood error of probability is 3%. It demonstrates that H6 affects customers' buy goal at importance level of 5. Conversely, the Perceived handiness has a positive way coefficient estimation of 0.643. The t-esteem is 15.489 and it is higher than the hypothetical t-estimation of 1.65 for likelihood blunder of 5%. Subsequently, it has a positive association with online consumer purchase intention.

The path coefficient for trust shows 0.184. The experimental t-value is 4.708, which is more than the theoretical t-value of 1.96 for likelihood blunder of 4%. Consequently, it demonstrates that trust has a noteworthy improvement on online shoppers' buy expectation at huge level of 5%. Hence, the hypothesis is supported.

Finally, the outcome revealed that all variables are supported towards online consumer purchase intention.

5. RECOMMENDATION FOR FUTURE RESEARCH

Review or feedback about product purchased online from retailer and with growing social media electronic with word of mouth becoming a source of information implementing this as a variable to know if it has a significant impact on purchase intention of millennial's can be studied.

This study can be further expanded in various ways to know if it still validates or not that is firstly the study can further be conducted in major cities of Karnataka to know the level of influence of millennial's in and around cities. Secondly, the study can be further be converted into a comparative study between the millennial's of both rural and urban Bengaluru. Thirdly, this study can also be conducted of consumer durable products available online keeping the same variables. Fourthly a study to know from whom do millennial's purchase that is whether they would go about purchasing from Indian online retailer or a Foreign online retailer. Fifthly, given a variable that country of origin of product how would the decision of purchasing the fashion product differ that is does products country of origin assumes a job in the buy basic leadership of millennial consumers. Lastly research study to know if cash back and other promotional offer also attract them to make online purchasing decision on products such as electronic goods and e-payment. Therefore, the aim of this study was to provide valuable, dependable and suggestive ideas for both online retailers and upcoming research in this area. New entrants to online fashion retailers can use this paper as a guiding source of information.

6. CONCLUSION

This study with an objective to know the factors which influence the millennial consumer to make a purchase decision from online fashion retailers in Bengaluru context. The findings of the study concluded that all the hypotheses employed in the study were supported which may be keeping in mind the fact that today's millennial's are tech savvy, have an experience in online shopping and also most importantly they have access to all the information.

The study also adds on to literature on retailing, consumer behavior, and retailing and also to the theory employed in this study. The study also gives some valuable insights into millennial's purchase intention.

Lastly to conclude this study also ended with few limitation and recommendation which can be used as a source of information for the upcoming research to study on.

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IMPACT OF DIGITAL TECHNOLOGY ON BUSINESS, SOCIETY AND ECONOMY

Deepanjali Bali and Raisa FathimaDepartment of Masters of Commerce, Mount Carmel College (Autonomous), Bengaluru

ABSTRACT

The world that we are living in today is one where everything is available at our finger tips. Living in the current digital world truly has transformed our lives and has made it easy then it was earlier. Developments in the information and communication technologies, especially the Internet and the Web based technologies have brought significant changes in the ways the information is generated, distributed, accessed and used. In today's world every nation wants to be fully digitalized, even digital India is an initiative started by our prime minister, Mr. Narendra Modi to make India digitalized.

Digital technology has had and will continue to have an impact on the business, society and economy as whole

Keywords: digital technology, business, society, economy, mobile networks, internet, cloud computing, e-mails, various software packages.

OBJECTIVE

- To know how digital technology has made an impact on business, its operations, sales and revenues.
- To know how society has adopted digital technology and what impact it has made on society.
- To know the overall impact of digital technology on the Indian economy.

RESEARCH METHODOLOGY

The information presented in the research is based on the primary and secondary data. Questionnaire was circulated and information is based on the findings. And the available secondary data is taken from research papers, magazines and publications from various websites covering wide information on impact of digital technology on business, society and economy.

INTRODUCTION TO DIGITAL TECHNOLOGY

The world that we are living in today is one where everything is available at our finger tips.

Recent developments in the information and communication technologies, especially the Internet and the Web based technologies have brought significant changes in the ways the information is generated, distributed, accessed and used. Living in the current digital world truly has transformed our lives and has made it easy then it was earlier. In today's world every nation wants to be fully digitalized that will empower society in a better manner from a very long time, the world was and is still using the information made available to us by the efficient efforts of publishers, booksellers, librarians and information scientists. But, with the introduction of information technology, printed information can be converted in the digital form using computer networks.

Digital Technologies which includes the concept of cloud computing and mobile applications have emerged as the stimulation for faster economic growth and citizen empowerment.

As we all know about The 'Digital India' programme, an initiative of honorable Prime Minister Mr. Narendra Modi, will emerge new progressions in every sector and generates innovative endeavors for next generation. Digital technology has had and will continue to have an impact on the business, society and economy as whole.

HISTORY OF DIGITAL TECHNOLOGY IN INDIA

- The underlying technology was invented in the later half of the 19th century and became economical for widespread adoption after the invention of the personal computer.
- The 1970s saw the introduction of the home computer. The 1990s Tim Berners-Lee designed the World Wide Web.
- By 1999 almost every country had a connection and people in several countries used the Internet on a regular basis in 2000, almost 20% of households with children owned personal computer and in 2000 more than 70% owned one.
- Cell phones became as important as computers by the early 2000s,
- By 2010, the widespread use and interconnectedness of mobile networked devices and mobile telephony, internet websites and resources, and social networking have become a standard in digital communication.

- Cloud computing had entered the mainstream by the early 2010s.
- By 2015, tablet computers and smartphones have exceeded personal computers in Internet usage.

In short, when there was no digital technology, people were dependent only on their knowledge, intuitions, books, journals etc. even when computers systems were newly built, it was necessary to memorize codes and commands. In 1990's and early 2000's both computer and internet led to a number of advances to improve the way we interact with our technology including introduction of widgets, introduction of touch screen interfaces etc.

In 2007, when apple unveiled the iPhone and then began the app revolution. Ever since then the way we interact with our phones has changed our daily lives. Today users spend 90% of their time in apps and have changed their behaviors based on the technology in palm of their hands. Nowadays many people purchase products online as well as some choose to research products online before going into the final store for a final evaluation and purchase.

If we go back 8years down the line, we could the following happening

- Social media was struggling to integrate with consumerism.
- Mobile phones were used for just calling and sending messages.
- Small firms could not afford cloud software, 3G, 4G, many apps were not used.

IMPACT OF DIGITAL TECHNOLOGY ON BUSINESS

Before digital technology was introduced business firms use to conduct face to face meetings, many times there would be delays in completing tasks and projects and many other problems.

No doubt, digital revolution has changed the way businesses operate and communicate. Live chat, email social media has made it simple for brands to communicate information and exchange ideas.

- Workers can contact via webcam, send sms, e-mails etc. there is digital helpdesk software to solve customer service problems. This increases customer loyalty and attracts new customers to the business. Due to digital revolution, various departments' work together resulting in better team work, effective project management etc.
- New technology such as cloud based software enables workers to store data in the software and have access to it from any place via internet connectivity without fear of data loss, system crash etc. Websites, blogs, and video streaming sites has provided marketers immense opportunities to expand and grow their business.
- Mobile-a smart phone with correct software helps firms to carry out their business at any time and in any part of the world. It helps in enabling sales, marketing and maintain customer relationships. Mobile is for consumers as well to buy, sell, shop and share their retail experiences.
- Technology has led to such a connectivity where all of us stay in touch all the time. Right from video conferencing to email and promotional messages, employees and co-workers are always connected to business.
- Now the digital era has made it buyer's market when it comes to software solutions for your business. Both software & hardware required to create software solutions are easy to use and afford. The solutions are simple enough to implement and as such does not need to hire dedicated employees. Labour cost is decreasing day by day to some extent.
- Digital technology has proved the saying "it's a small world". Users of digital technology can connect without consideration of geographical, financial obstacle etc. on internet, if you provide bad customer service, it is likely to spread across like wild fire and that reputation/ negative impression will stick forever with the business. Hence, business firms these days are very concerned about their digital footprint, their social identity.

IMPACT OF DIGITAL TECHNOLOGY ON THE SOCIETY

With the advent of digital revolution in India the way societies operate and interact with each other has drastically changed. Changes in communications and computing are clear indicators of technological progress. The progress of the Indian society in the field of technology earlier was very slow. Though there was continuous technological up gradation happening but such benefits were not availed and made accessible to all.

A drastic change in the technological acceptance by people was seen post the digital India initiative launched by the Prime Minister Sri Narendra Modi in the year 2015. The main aim of the digital India initiative is to provide

better internet connectivity to all especially in the rural and inaccessible areas, to make all government services available online for the ease of all and to most importantly empower its citizens through digital literacy.

The government aims at digitizing its records, provide a social security platform and delivering better services to its citizens. The core areas of progress are reflected through the agricultural, healthcare and education sector. These sectors play an important role in empowering citizens. The agricultural sector is being digitally improvised through the use of mobile based applications which alert the weather conditions to the farmers through instant messages and also provide them solutions for better crop yield. This has to a great extent helped the farmer's dependent on such technology. In the field of education advanced visualization techniques and virtual learning techniques are being used to enable teacher's reach out to various groups of students in various parts of the country without the physical presence of the students and teachers at one location. This technological initiative has helped educating many students in rural areas who find it difficult to travel to urban cities for education. These positive steps taken by the government are slowly changing the mind-set of people and encouraging them towards the adaptation of technology for better individual growth.

Though there is a long way to the progress of the society as a whole in the adaptation of digital technologies the small steps taken today will help create a better society for the future. It is important that there be a constant close link between the government and the society to enable the creation and adaptation of technology at the same pace. Thus digitalization helps in creating a well-educated and informed technological society.

IMPACT OF DIGITAL TECHNOLOGY ON THE ECONOMY

The economy comprises of production and consumption patterns of goods and services in a country or region. The economy is an important indicator of the development of the country and therefore the involvement of digital technology is essential to ascertain the advancement made by a country in its processes. The availability of data and content through electronic sources has enabled better information access at lower cost thus helping traders, businessmen in making proper business decisions and ensuring better profitability and overall growth of the industry. The growth of manufacturing and other allied industries is a key indicator towards the ascertainment of the Gross Domestic Product (GDP) of a country. The GDP indicates the performance of the economy of a country. To ensure higher GDP rates it is essential that the factors affecting the economy be technologically updated to ensure prompt availability of information to the stakeholders.

Using digital technology acts as a means to boost the economic activities of a country. Adoption of digital technologies on a large scale through connected servers and devices has facilitated better job creation. Technology enables better division of Labour and helps in enhancing the skills of workers. Industries are able to take better management decisions and production layouts on the basis of the pooled data available through cloud technologies.

The Digital India initiative started by the government aims at boosting the growth of the economy by achieving a GDP of up to \$1 trillion by the year 2025. The government is concentrating on generating more employment, making the Labour force more productive and increasing the number of businesses through viable technological sources. The World Bank reports states that a marginal increase of 10% in the broadband and mobile connectivity can increase the GDP by 0.8% to 1% approximately.

There is huge economic opportunity seen in the future for digital technology as currently India stands 2nd largest telecom market in the world and the 3rd largest internet market in the world. The potential for growth is immense as through digital India initiative it is expected that more people from the rural areas will be better connected to the internet enabling a larger population into the digitalized movement.

FINDINGS ON IMPACT OF DIGITAL TECHNOLOGY

The survey was conducted on 50 people comprising of 20 people representing the business class and 30 people representing the society that is housewives, students, elderly people and middle age working group.

As per the information drawn from the samples the following inferences have been drawn:

1. BUSINESS

- 35% of the business respondents use 3G/4G in their businesses to access the internet whereas 30% used Wi-Fi-portable devices and 20% used cable modem. This shows that people are more inclined towards the use of 3G/4G and Wi-Fi devices.
- 53% of the respondents said that they had internet website of their respective businesses before the digital India initiative was launched in the year 2015 and the remaining 47% respondents did not have a website before the digital initiative.
- 71% of the respondents sold goods and provided services via internet during the year 2016-2017.

- 53% business respondents said that using information and communication technology has helped them in reducing cost of operations and labor and the rest of the respondents said it helped them respond to customers specific needs and build better customer relationship.
- 83% of respondents said their business clients increased post the digitalization initiative and the remaining respondents were of the view that there was only marginal increase in their client base.
- 52% of the respondents feel there is significant role of digitalization on their increased revenues whereas 48% of the respondents do not find any change in revenues post digitalization.

2. SOCIETY

- 47.2% of the respondents representing the society have given an average rating of 3 on a scale of 5 on the their digital literacy whereas 13.9% have given a rating of 4 indicating a better effort on understanding digital technology and the remaining 38.9% of the respondents are not well informed on digital technology.
- 48% of the respondents make use of more than three devices in their homes and the remaining 52% of the respondents have less than two devices in their home indicating lower use of technology at home.
- 51.4% of the respondents gave a rating of 3 on a scale of 5 indicating their average use of app based technology whereas 27% of the respondents gave a rating of 5 indicating their complete dependence on app based services and the remaining 21.6% of the respondents do not make use of the app based technology.
- 51.4% of the respondents feel that conducting transactions online are safe whereas 48.6% of the respondents are of the opinion that online transactions are not safe.
- 48.6% of the respondents are of the opinion that daily activities can be conducted without depending on digital technology whereas 51.4% of the respondents feel that their daily activities cannot be conducted without the help of digital technology.
- 53% of the respondents feel that the government has not taken enough steps to educate people on digitalization and 47% of the respondents feel that the government has taken steps towards educating people on digitalization.

ANALYSIS OF FINDINGS ON IMPACT OF DIGITAL TECHNOLOGY ON BUSINESS, SOCIETY AND THE ECONOMY

From the study it is found that business firms and businessmen have adopted technology very well. Many of them use portable Wi-Fi, mobile phones to conduct business operations along with computer networks. ERP software packages and cloud computing software is still not very popular among small and medium size businesses. There has been an increase in the sales and revenue earning patterns of firms after creating their personalized websites and selling goods online. Business firms can now take decisions instantly on important matters across borders with the help of video conferencing, e-mail, phone calls and the various applications available to cater to specific needs.

The study conducted on the society comprising of housewives, students, retired persons and the middle age working group shows that the digital literacy amongst them is improving and there is an urge to know and be aware of the advancement made in technology particularly in the younger age group. The use of technology is also increasing and the study indicates that there are many households having more than three devices in their respective houses any also they consider conducting transactions online to be safe. The impact that digital technology has created on the lives of people is immense as the majority of the respondents feel that they would be unable to conduct their daily activities without depending on digital services. The respondents are of the opinion that the government has not taken enough steps to educate the people on digital technology.

Digital technology has boosted the economic activities of the country through increase in job opportunities for people by enabling better technical education. Digital platform helps in enhancing the skills of people. Industries as a whole are able to take better management decisions based on pooled data available through cloud technologies. Policy makers will have reliable information to create effective policies. The country has experienced increase in sales and revenue which has a direct impact on the Gross Domestic Product (GDP) of the country.

CONCLUSION

Technology has become a very important part of our daily lives. When it comes to business, it has made tremendous positive impact in helping businesses to grow and flourish using digital services. Digital technology's impact on society is positive as well as negative if we consider growing cyber-crimes.

Overall, economy is still adopting digital environment at a faster pace and we all can see a positive change. The economy is expected to flourish due to advancement in digital technology in the coming years. In other words, we can say that digital technology has made a positive impact on society, business and economy.

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ROLE OF DEMOGRAPHIC FACTORS ON INVESTMENT DECISION OF INVESTORS IN BANGALORE

Akshay Laddha¹, Sriyank Levi², Harshith Babu³Student¹ and Assistant Professor^{2,3}, Dayananda Sagar College of Arts, Science & Commerce, Bangalore

ABSTRACT

The financial market is more dynamic in the present scenario. The main reason for investors to invest in various financial portfolio's is to get higher returns by investing feasible amount. The aim of this paper is to study the role of demographic factors like age, marital status, annual income in making investment decisions of investors. The type of research used in the research are descriptive & empirical. The data is collected from structured questionnaire provided to investors on a five point Likert scale. A sample size of 70 respondents were collected from Bangalore city using convenience sampling. Statistical tools like Chi-square, Mann-Whitney test, Kruskal-Wallis test are used to analyze the collected data using SPSS software.

Keywords: Investor, Investment decision, Demographic factors.

1. INTRODUCTION

The world is changing dynamically in various ways and needs of people is increasing day by day. People are looking for happy & safe life. In current scenario, money can make people more delightful. So they start investing in various financial avenues and ventures for secure life & bright future. But it became a big question for them that which financial avenue will give high return and more safety. At present, there are many investment opportunities available in market like equity, bonds, debentures, real estate, public provident fund, etc. But after all, there are some demographic factors from which investment decision for above avenues may get effected. Demographic factors may be age, annual income, marital status, educational qualification, types of employment, etc. This paper attempts to identify the role played by demographic factors in making investment decision.

2. REVIEW OF LITERATURE

Dr. C. M. Shinde and Priyanka Zanvar (2015) found that demographic factors of investors such as Age, Educational qualification, Income level, affect the investor's level of risk tolerance. These results are important for managers to advise their clients about better area of investment and risk level according to their demographic profile.

Dr. Dhiraj Jain and Mr. Nikhil Mandot (2012) concluded that most of the investors' primary objective of investment is to earn regular income and expected rate of return differs from individual to individual based on their level of market knowledge and risk taking ability. This paper further reveals that there is a negative correlation between Marital Status, Gender, Age, Educational Qualification and Occupation of the investors' also there is a positive correlation between Cities, Income Level and Knowledge of the investors'. This has been identified on the basis of cross analysis by applying Correlation analysis.

Manoj Kumar Dash (2010) identified that modern investor is a mature and adequately groomed person. In spite of the phenomenal growth in the security market and quality Initial Public Offerings (IPOs) in the market, the individual investors prefer investments according to their risk preference. His study also concludes that investors' age and gender predominantly decides the risk taking capacity of investors.

Subramaniam VA and Athiyaman T (2016) found that demographic factors such as age, education, investment experience and income of the investors are correlated with their risk tolerance and; gender, occupation and civil status are not related with risk tolerance.

Vickie L. Bajtelsmit and Alexandra Bernasek (1996) in this paper, authors' have delineated the alternative explanations for gender differences in investment and risk taking in an effort to help guide data collection and identification of relevant variables for empirical research. Review of the limitations of previous studies suggests that existing datasets are inadequate for the purposes of investigating gender differences in investing.

Grinblatt and Keloharju (2000) suggest that investors who have less than two years of equity experience often earned poor gross returns.

C R Kothari (1985) book Research Methodology for types of research.

3. OBJECTIVES OF STUDY

- To study the association of demographic factors that influence the investment decision of investor's.
- To identify the factors on which the basis of investment decision relies on.

4. HYPOTHESIS

The hypothesis is framed on the basis of variables identified from the objectives.

Hypothesis 1: There is no association between age & annual income of investors.

Hypothesis 2: There is no association between marital status & savings per annum of investors.

Hypothesis 3: There is no association between types of employment & experience in years of investors.

Hypothesis 4: There is no significance difference between age & expected return of an investors.

Hypothesis 5: There is no significance difference between annual income & liquidity of an investors.

Hypothesis 6: There is no significance difference between of Marital status & Safety an investor.

5. RESEARCH METHODOLOGY

The type of research carried out for the study are descriptive, causal and empirical research. Both primary data & secondary data are used for the study. Secondary data is collected from EBSCO HOST & J-gate online software. The instrument used for primary data collection is through structured questionnaire using survey method. The sample size of 70 investors using stratified random sampling in Bangalore city is considered for further analysis. Collected data are classified using electronic spread sheet, various statistical tools/techniques like Chi-Square, Mann-Whitney test, Kruskal-Wallis test were used to analyze the data.

6. DATA ANALYSIS

Test for Normality

H₀: Opinion on the demographic data of an investors are normally distributed

H₁: Opinion on the demographic data of an investors are not normally distributed

Table-6.1: One-Sample Kolmogorov-Smirnov Test for Normal Distribution

| | | Age | Marital Status | Education Qualification | Type of employment | Number of dependents | Experience in years | Number of earning members | Annual income | Savings per annum | When is the preferred time for investment |
|--------------------------|----------------|------|----------------|-------------------------|--------------------|----------------------|---------------------|---------------------------|---------------|-------------------|---|
| N | | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 |
| Normal Parametrs (a,b) | Mean | 1.77 | 1.33 | 2.79 | 1.23 | 1.41 | 1.97 | 1.77 | 2.36 | 1.39 | 1.46 |
| | Std. Deviation | .85 | .47 | .47 | .61 | .55 | 1.29 | .59 | .90 | .66 | .50 |
| Most Extreme Differences | Absolute | .26 | .42 | .48 | .51 | .38 | .35 | .33 | .24 | .41 | .36 |
| | Positive | .26 | .42 | .32 | .51 | .38 | .35 | .26 | .24 | .41 | .36 |
| | Negative | -.18 | -.25 | -.48 | -.35 | -.24 | -.22 | -.33 | -.17 | -.28 | -.31 |
| Kolmogorov-Smirnov Z | | .26 | .42 | .48 | .51 | .38 | .35 | .33 | .24 | .41 | .36 |
| p value | | .00 | .00 | .00 | .00 | .00 | .00 | .00 | .00 | .00 | .00 |

Note: a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Inference: Since p value is less than .05, so reject null hypothesis and accept alternative hypothesis i.e. the demographic data of an investors are not normally distributed. Hence Non parametric test (Chi-square for independence) is applied.

HYPOTHESIS 1**Variable 1: AGE****Variable 2: ANNUAL INCOME****Statistical tool used: CHI-SQUARE TEST** H_0 : There is no association between age & annual income of investors. H_1 : There is association between age & annual income of investors.**Table-6.2: Chi-square test for Independence of attributes for association between age & annual income of investors**

| AGE | ANNUAL INCOME | | | | TOTAL | Chi Square | p-value |
|----------|---------------------------|---------------------------|-------------------------|--------------------------|----------------------------|------------|---------|
| | Less than 2 lakhs | 2-5 lakhs | 5-10 lakhs | Above 10 lakhs | | | |
| Below 25 | 8 (25.8%) [66.7%] | 15 (48.4%) [51.7%] | 7 (22.6%) [33.3%] | 1 (3.2%) [12.5%] | 31 (100.0%) [44.3%] | 18.568 | .100 |
| 25-35 | 2 (7.4%) [16.7%] | 11 (40.7%) [37.9%] | 9 (33.3%) [42.9%] | 5 (18.5%) [62.5%] | 27 (100.0%) [38.6%] | | |
| 35-45 | 2 (20.0%) [16.7%] | 2 (20.0%) [6.9%] | 5 (50.0%) [23.8%] | 1 (10.0%) [12.5%] | 10 (100.0%) [14.3%] | | |
| 45-55 | 0 (0.0%) [0.0%] | 1 (100.0%) [0.0%] | 0 (0.0%) [0.0%] | 0 (0.0%) [0.0%] | 1 (100.0%) [1.4%] | | |
| Above 55 | 0 (0.0%) [0.0%] | 0 (0.0%) [0.0%] | 0 (0.0%) [0.0%] | 1 (100.0%) [12.5%] | 1 (100.0%) [1.4%] | | |
| Total | 12 (17.1%) [100.0%] | 29 (41.4%) [100.0%] | 21 (30%) [100.0%] | 8 (11.4%) [100.0%] | 70 (100.0%) [100.0%] | | |

Note: 1. The value within () refers to row percentage

2. The value within [] refers to column percentage

Inference: Since p value is greater than 0.05, the null hypothesis is accepted at 5% level of significance. Hence concluded that there is no association between age and annual income of investors. Based on row percentage, age below 25yrs, 25.8% of the investors are having annual income of less than 2 lakhs, 48.4% have annual income 2-5 lakhs, 22.6% have annual income of 5-10 lakhs, 3.2% have annual income more than 10 lakhs. The age 25-35yrs, 7.4% of the investors are having annual income of less than 2 lakhs, 40.7% have annual income 2-5 lakhs, 33.3% have annual income of 5-10 lakhs, 18.5% have annual income more than 10 lakhs. The age 35-45yrs, 20.0% of the investors are having annual income of less than 2 lakhs, 20.0% have annual income 2-5 lakhs, 50.0% have annual income of 5-10 lakhs, 10.0% have annual income more than 10 lakhs. So we can conclude that investors aged between 35-45yrs with annual income of 5-10lakhs have more chance of investing while investors aged below 35, annual income less than 2lakhs have less chance.

HYPOTHESIS 2**Variable 1: MARITAL STATUS****Variable 2: SAVINGS PER ANNUM****Statistical tool used: CHI-SQUARE TEST** H_0 : There is no association between marital status & savings per annum of investors. H_1 : There is association between marital status & savings per annum of investors.

Table-6.3: Chi-square test for Independence of attributes for association between Marital status & savings per annum of investors

| Marital Status | Savings per annum | | | | Total | Chi-Square | p-value |
|----------------|---------------------------|---------------------------|--------------------------|-------------------------|----------------------------|------------|---------|
| | Less than 1 lakh | 1-3 lakhs | 3-5 lakhs | More than 5 lakhs | | | |
| Single | 35 (74.5%) [71.4%] | 10 (21.3%) [62.5%] | 2 (4.3%) [50.0%] | 0 (0.0%) [0.0%] | 47 (100.0%) [67.1%] | 3.141 | 0.37 |
| Married | 14 (60.9%) [28.6%] | 6 (26.1%) [37.5%] | 2 (8.7%) [50.0%] | 1 (4.3%) [100.0%] | 23 (100.0%) [32.9%] | | |
| Total | 49 (70.0%) [100.0%] | 16 (22.9%) [100.0%] | 4 (22.9%) [100.0%] | 1 (1.4%) [100.0%] | 70 (100.0%) [100.0%] | | |

Note: 1. The value within () refers to row percentage

2. The value within [] refers to column percentage

Inference: Since p value is greater than 0.05, the null hypothesis is accepted at 5% level of significance. Hence concluded that there is no association between marital status & savings per annum of investors. Based on row percentage, investors whose marital status is single, 74.5% have savings per annum less than 1lakh, 21.3% have savings per annum 1-3lakhs, 4.3% have savings per annum 3-5lakhs. Investors who are married, 60.9% have their savings per annum less than 1lakhs, 26.1% have savings per annum 1-3lakhs, 8.7% have savings per annum 3-5lakhs, 4.3% have savings per annum more than 5lakhs.

HYPOTHESIS 3

Variable 1: TYPES OF EMPLOYMENT

Variable 2: EXPERIENCE IN YEARS

Statistical Tool: CHI-SQUARE TEST

H₀: There is no association between types of employment & experience in years of investors.

H₁: There is association between employment & experience in years of investors.

Table-6.4: Chi-square test for Independence of attributes for association between Types of employment & Experience in years of investors

| Types of Employment | Experience in years | | | | Total | Chi-square | p-value |
|---------------------|---------------------------|--------------------------|--------------------------|---------------------------|----------------------------|------------|---------|
| | Less than 3yrs | 3-5yrs | 5-7yrs | Above 7yrs | | | |
| Private | 36 (59.0%) [87.8%] | 7 (11.5%) [87.5%] | 2 (3.3%) [66.7%] | 16 (26.2%) [88.9%] | 61 (100.0%) [87.1%] | 11.048 | .087 |
| Government | 1 (50.0%) [2.4%] | 0 (0.0%) [0.0%] | 1 (50.0%) [33.33%] | 0 (0.0%) [0.0%] | 2 (100.0%) [2.9%] | | |
| Self Employed | 4 (57.1%) [9.8%] | 1 (14.3%) [12.5%] | 0 (0.0%) [0.0%] | 2 (28.6%) [11.1%] | 7 (100.0%) [10.0%] | | |
| Total | 41 (58.6%) [100.0%] | 8 (11.4%) [100.0%] | 3 (4.3%) [100.0%] | 18 (25.7%) [100.0%] | 70 (100.0%) [100.0%] | | |

Note: 1. The value within () refers to row percentage

2. The value within [] refers to column percentage

Inference: Since p value is greater than 0.05, the null hypothesis is accepted at 5% level of significance. Hence concluded that there is no association between type of employment and experience in years of investors. Based on row percentage, investors who are private employee, 59.0% have experience less than 3yrs, 11.5% have experience of 3-5yrs, 3.3% have experience of 5-7yrs while 26.2% employees have experience of above 7yrs. Investors who are government employee, 50.0% have experience less than 3yrs, 50% have experience of 5-7yrs. Investors who are self-employed, 57.1% have experience less than 3yrs, 14.3% have experience of 3-5yrs while 28.6% employees have experience of above 7yrs.

HYPOTHESIS 4**Variable 1:** Age**Variable 2:** Expected Return**Statistical tool used:** Kruskal-Wallis Test H_0 : There is no significance difference between age & expected return of an investors. H_1 : There is significance difference between age & expected return of an investors.**Table-6.5: Kruskal-Wallis test for significance difference between age and expected return of an investors**

| Age | Size(N) | Mean Rank | Chi-square | p value |
|----------|---------|-----------|------------|---------|
| Below 25 | 31 | 35.98 | 3.537 | .472 |
| 25-35 | 27 | 32.59 | | |
| 35-45 | 10 | 37.75 | | |
| 45-55 | 1 | 56.00 | | |
| Above 55 | 1 | 56.00 | | |
| Total | 70 | | | |

Inference: Since p value is greater than .05, Null hypothesis is accepted & alternate Hypothesis is rejected at 5% level of Significance. Hence we conclude that there is no significance difference between age & expected return of an investors.

By comparing Mean rank, Age above 45 having highest mean rank=56.00 expecting more return while age group 25-35 have lower mean rank=32.59 expecting less return.

HYPOTHESIS 5**Variable 1:** Annual income**Variable 2:** Liquidity**Statistical tool used:** Kruskal –Wallis test H_0 : There is no significance difference between annual income & liquidity of an investors. H_1 : There is significance difference between annual income & liquidity of an investors.**Table-6.6: Kruskal-Wallis test for significance difference between annual income & liquidity of an investors.**

| Annual income | Size(N) | Mean Rank | Chi-square | p value |
|-------------------|---------|-----------|------------|---------|
| Less than 2lakhs | 12 | 35.17 | 5.182 | .159 |
| 2-5lakhs | 29 | 32.86 | | |
| 5-10lakhs | 21 | 33.98 | | |
| More than 10lakhs | 8 | 49.56 | | |
| Total | 70 | | | |

Note: Grouping variable (Annual Income)

Inference: Since p value is greater than .05, Null hypothesis is accepted & alternate Hypothesis is rejected at 5% level of Significance. Hence we conclude that there is no significance difference between annual income & liquidity of an investors.

By comparing Mean rank, investors whose income is more than 10lakhs having highest mean rank=49.56 expecting more liquidity while investors with annual income 2-5lakhs have lower mean rank=32.86 expecting less liquidity.

HYPOTHESIS 6**Variable 1:** Marital status**Variable 2:** Safety**Statistical tool used:** Mann-Whitney test H_0 : There is no significance difference between of Marital status & Safety an investor. H_1 : There is significance difference between Marital status & Safety of an investor.

Table-6.7: Mann-Whitney test for significance difference between Marital status & Safety of an investor

| Marital status | Size N | Mean Rank | Sum of Ranks | Chi-square | p-value |
|----------------|--------|-----------|--------------|------------|---------|
| Single | 47 | 37.63 | 1768.5 | 1.414 | .157 |
| Married | 23 | 31.15 | 716.5 | | |
| Total | 70 | | | | |

Inference: Since p value is greater than .05, accept the null hypothesis i.e. there is no significance difference between of marital status & safety an investor. & reject the alternate hypothesis.

7. FINDINGS

The findings of the study are drawn using non parametric test like Chi-square, Kruskal-Wallis, Mann-Whitney test. The inferences of Chi-square test conclude that there is no association between annual income, age, marital status, savings per annum, experience & types of employment. Whereas inference of Kruskal-Wallis test disclosed that there is no significance difference between age, expected return annual income & liquidity. While inference of Mann-Whitney test stated that there is no significance difference between marital status & safety of investors. It is also found that investors aged between 35-45yrs with annual income of 5-10lakhs have more chance of investing while investors aged below 35 with annual income less than 2lakhs have less chance of investing. The investors having age above 45 expect more return while investors age between 25-35 expect less return.

8. CONCLUSION

The investment decision among investor will change from time to time. Identifying right investment avenue is complex task for a particular investor. This study encourages to identify the association of demographic factors such as age, annual income, experience in years, savings per annum with investment decision of investors. The findings confirm that the investment decision majorly relies on the factors such as expected return, liquidity & safety of investors.

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MORE THAN CASH, CHEQUES AND CREDIT THE NARRATOR EXTENDS SOCIAL RESPONSIBILITY-CITY UNION BANK

R. Haribaskar¹ and Sivasankari. P²

Assistant Professor¹, Department of Management, Kristu Jayanti College (Autonomous), Bangalore
Senior Associate Officer², City Union Bank

ABSTRACT

The observational study on this paper about corporate social responsibility extends vision to look forward to the inner engineering of City Union Bank(CUB). There exists profitable hand for CUB with well designed and finished CSR strategies. The powerful CUB initiates from the simple shed traffic for the betterment of traffic police to clean-up lake operations. By training review in City Union Bank, it shows the highest order of social service by providing immediate employment to a family member after the staff's sunset. Travelling towards the modern end, CUB made to "MEET LAKSHMI"-through this process, city union bank made distinction of empowering the emerging bank of the country to formulate a robot with artificial intelligence to solve banking related attributes. By this paper the sense of banks involved in CSR is also motivated to improve the individual aroma to contribute for the society.

1. INTRODUCTION

Corporate Social Responsibility (CSR) states to what a business performs over and above the statutory requirement for the betterment of the society. This corporate self-regulation integrates process module. The growing concerns of sustainable development, environmental performs, Clean city and management of natural sources has provided mass recognition to the subject of corporate service. It is very much inevitable to integrate CSR principles with operative functions. But in developing nations, there is a lack of focused and effective actions to the present need. In fact the research work is performing great in developing nations. Academic related publications are vigorous with primary focus.

The importance of sustainable growth is not much attractive in emerging countries, which is playing vital role in developed countries. In this concern this paper attempts to evaluate the bold and creative steps taken by City Union Bank to represent their efforts in this area. The upcoming explanations explain about angles of corporate service. world-wide. The third section discusses about the CSR practices of Indian Banking industry. The Last section through lights on limited CSR activities of Indian banks and also provide measures to elevate the present scenario.

2. REVIEW OF LITERATURE

Harbajan Bansal, VinuParida and Pankaj Kumar (2012) in their paper entitled "Emerging trends of CSR in India" analysed many companies of various sectors in BSE by using their annual reports. Some of these sectors were Transport Equipment sector, Finance and Metal Mining sector, IT & Power, Capital goods, Telecom, Housing, FMCG, Oil & Gas, Cipla etc. The study concluded that the companies today are working not only to earn profit but have also realized the importance of being social friendly. Social Re-sponsibility today has started taking a turn in the new direction.

Bibhu Prasad and Mohanty (2012) made a study on "Sustainable Development Vis-à-vis Actual CSR". The findings showed the Multinational companies are investing more amount on sectors like food systems, academic education, water, child labour, etc. but it is very essential to focus on the need of the poor. The study suggested that though outcome is more in a natural factor of company CSR must obey the obligations related to brands.

Debabrata Chatterjee (2010) in his research paper entitled "Corporate Governance and CSR: The case of three Indian companies" tried to analyse the corporate governance practices of three prominent Indian firms viz; ITC Ltd., Infosys Technologies Ltd., and Reliance Industries Ltd. The study was made taking four parameters i.e., Approach to Corporate Governance, Governance Structure and Practices, Board Committees and CSR activities. The study found essentials of governing practices that exists in different ways for different companies which proved that the first research was much better than the other two.

Mallen Baker (2012) in his article on "Four emerging trends in Corporate Responsibility" tried to elucidate three basic things about the trends of CSR that have changed from last so many years. Firstly, the relationship between business and society has changed. They have come closer because of the social and environmental problem prevailing around the world. Secondly, the strategy of the businessman to develop business also affected the society a lot. Their new ideas, concept, improvisation arrived with the ideology of corporate service management.

3. SOCIAL CORPORATE SERVICES

3.1 CLEAN UP LAKE OPERATIONS

City Union Bank sanctioned 90 lakhs to desilt 4 lakes in and around Mannarkudi. Desilting lakes is hardly the sort of thing we would expect of a bank, but when the President of the Tamizhga Vivasayigal Sangam approached City Union Bank (CUB) with such a request, they immediately took up the project.

The narrator Mr. Kamakodi made this possible in a matter of three months where CUB cleared four lakes — Vadeesamangalam, Edannavasal, Paruthikottai and Moovanallur in and around Mannarkudi town, 38 km away, desilted. The work also included deepening, desilting and strengthening bunds. The beauty shows by an unexpected downpour resulted in overflowing of the lakes into the connected streams and on to the Pamaniyar river which made a new chill life possible to nearly 5 lakh people. This shows when effort is taken for any service the nature gives its support. The rains were godsend thanked Mr. Kamakodi.

3.2 PEOPLE MATTERED

The bank's community interface is helping to set up 110 toilets in and around the 'temple town' of Kumbakonam and 10 municipal schools for Rs 2.50 crore; clean up water tanks for Rs 1.20 crore, renovate and fabricate three "cars" (chariots) for the famous Sri Adi Kumbeswarar temple for Rs 30 lakh. This tells a lot about how an old-world private bank "stays connected" with its roots. And its ways have certainly paid off.

3.3 SAY HELLO TO LAKSHMI

Lakshmi, the country's first banking robot is helping City Union Bank transition towards a new self-service era. The two-foot robot pushes the Kumbakonam-based City Union Bank (CUB) towards a new self-service era. CUB Lakshmi, with a special relation to the customer of CUB, speaks English and can provide basic conversation related to banking techniques. It is dealing with nearly 125 subjects with special features of artificial intelligence to answer generic banking questions. This has created the interest among customer participation.

3.4 VOLUNTEERSHIP

CUB also gives its participation on making traffic sheds for the Department of Police over Tamil Nadu as a protection measure from extreme heat and rains. They handled provisions of AC bus stops in and around their branches.

4. IMPACT ON EFFICIENCY

CSR FINANCIAL DETAILS (INR Cr.)

| YEAR | 2015-2016 | 2016-2017 | 2014-2015 |
|----------------|-----------|-----------|-----------|
| Actual CSR | 8.05 Cr | 8.16 Cr | 3.54 Cr |
| Prescribed CSR | 8.92 Cr | 10.25 Cr | 6.32 Cr |

Impact of CSR on Profit (Rs in Cr):

| Particulates | 2016-2017 | 2015-2016 | Growth (%) |
|----------------------|-----------|-----------|------------|
| Reserves and surplus | 3510 | 2992 | 17 |
| Deposits | 30116 | 27158 | 11 |
| Advances (Gross) | 24112 | 21253 | 13 |
| Operating Profit | 994 | 833 | 19 |
| Net Profit | 503 | 445 | 13 |

Hence the increase in profit is always preceded by the years to come. Each and every increase is a pure result of CSR and Automation. The new technological aspects of CUB follows well in the minds of new generation too because new generation minds focus on more of pleasant customer service with a quality functioning. A many improvements is consistently being performed by the management of the bank. These particularly include process simplification, automation and continuous training. The rate of retention is also in a controlled level which is in the heart of performance management. These attributes provide the integral view of the long term banking with successful career opportunities. The Bank is committed to developing its capabilities as an organization and as individuals to meet current and future business challenges.

As on 31st March, 2017, the Bank has 4,689 employees, comprising of 54 Executives in top management cadre, 1690 Officers, 2635 Clerks and 310 Subordinate staff as compared to 4,517 employees in the previous year.

In the use of ICT, the Bank has focused upon the following aspects:

1. To provide fast moving products in the zones of artificial intelligence and self processing. CUB is installing the banking robot in T.Nagar Chennai branch which deals with the generic banking related questions.
2. Enhancement of operating profit and operational service through using ATM, internet banking, mobile banking, etc to proceed for the banking transactions. 84% of customer processing are being followed by online transactions.
3. Provisions like e-valet has made a cashless environment and strengthened the cyber security by using advanced technologies.
4. Be in the forefront on formulating riskless environment and ensure uninterrupted services to customers.
5. Run an efficient IT operations using Open Source environment and in managing a large network.

A Separate section in this Annual Report has details on the extensive Technological Banking activities carried out by the Bank.

5. CONCLUSION

Banking sector in India is showing interest in integrating sustainability into their business models but its CSR reporting practices are far from satisfaction. There are only a few banks which report their activities on triple bottom line principles. As a matter of fact, the standards for rating CSR practices are less uniform in comparison to that for financial rating. This leads to problem in comparison of corporate houses and determining the CSR rating. The study found out that among the reporting banks also, some banks are making false gestures in respect of their efforts for socio- environmental concerns. Hence City Union Bank really makes the meaning of “cub” and has made efficiency in its profit.

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News Papers

- www.thehindu.com
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INCOME AND EXPENDITURE PATTERN OF CHILD LABOUR IN SOUTHERN DISTRICT OF TAMIL NADU**Dr. A. J. Excelce and Prof. Shilpa Rao. C**

Assistant Professor, Department of Management, Kristu Jayanti College, Bangalore

ABSTRACT

The aim of the present study is to examine the Income and Expenditure pattern of child labour. Home interviews of 93 randomly selected child labors were selected from southern district of Tamil Nadu. Majority of the child labors receive daily wages. They give their salary to their parents, to meet the expenses and help to repay their debt. Proper steps should be taken to create food safety awareness and food adulteration and avoid food poisoning. Government should conduct awareness programmers in an effective manner to eliminate child labour.

Keywords: Child Labor, Poverty, and BPL Family

INTRODUCTION

Child labor is a global phenomenon. Its magnitude and dimensions, however, vary widely from country to country. India possesses the largest child labor force in the world despite various measures undertaken by the government and non-governmental agencies to tackle this issue. According to estimate there are over 60 million child labor in India constituting nearly twenty five per cent of the working children of the world (Mishra, 2004). Child labor is one of the greatest difficulties of the society. Especially in the underdeveloped countries and nations that are in a development stage, it is a trigger of major concern for the government. Though in other countries, governments are fairly serious about eradicating child labor, the rate is really high in India, despite the promises, that the ministers make throughout election campaigns and public rallies. Truly child labor is not such a basic issue that can solved in a flash. It is an outcome of the pathetic poverty that a significant percentage of the Indian population suffers from. No matter how a lot the country has advanced in industrialization, education and agriculture, billions of countrymen and ladies still belongs to section of the society, which is termed as BPL (below poverty level) in economics. Neither any father nor any mother wants to see his/her their kids working like servants but accept the fact because there's no way out. It's poverty that forces them to push their young children into the gallows simply because at the end of the day, its money that matter to them. In a nutshell, child labor and poverty are just two sides of a coin. Poverty is the head and child labor is the tail.

OBJECTIVES

To analyzes the income and expenditure pattern of child labour.

RESEARCH DESIGN:

The survey examining the child labour and its impact on below poverty line family conducted in December 2018 as a part of a project work. The sample of 93 children is taken through convenience sampling method. The questionnaire is pilot tested using 25 children during December for clarity and validity, and adjustment are made wherever necessary. The revised questionnaire divided into two sections, with a demographic section at the first. Areas inquiry included (2) it is awareness and attitudes of parents. 100 questionnaires are prepared and issued to the parents. Finally, the researchers collected 93 questionnaires. Some questions included multi item scales.

SOURCES OF DATA COLLECTION:

Primary data is collected from parents of children's working places by means of questionnaire and interview method. The children are randomly requested to fill the questionnaire. Secondary data consists of different literatures like books, published in articles and websites that are collected by the research scholars.

Table -1: Duration in Receiving Salary

| Income type | Frequency | Percent |
|-------------|-----------|---------|
| Daily | 54 | 58.7 |
| Weekly | 20 | 21.7 |
| Monthly | 18 | 19.6 |
| Total | 92 | 100.0 |

Table 1 shows the frequency of income received by the child labors. Majority of the child labors (58.7) % receive their income daily, 21.7% of them receive their income weekly, and the remaining 19.6% of them receive their income monthly. This shows that majority of the child labors receive their income daily

Table – 2: Salary of Child Labours

| Salary | Frequency | Percent |
|----------------|-----------|---------|
| Below Rs. 3000 | 52 | 56.5 |
| Rs. 3001- 6000 | 34 | 37.0 |
| Rs. 6001 -9000 | 5 | 5.4 |
| Above 9001 | 1 | 1.1 |
| Total | 92 | 100.0 |

Table .2 reveals the sum of rupees received by the child labors as their salary, out of the 92 respondents 50.5% receive Rs 3000 as their salary, 37% of them receive in between Rs 3001-6000 and the remaining 6.5% of them receive salary above Rs.6000. It is concluded that majority of the child labor's salary is below Rs 3000.

Table – 3: Gender and Salary Amount

| Group Statistics | | | | | | |
|------------------|--------|----|------|----------------|---------|---------|
| | Gender | N | Mean | Std. Deviation | t value | P value |
| Salary Amount | Male | 87 | 1.53 | .662 | 1.093 | .277 |
| | Female | 5 | 1.20 | .447 | | |

Table 3 shows the variable gender and its relationship with amount received by child labors as their salary. The 'p' value is greater than 0.05 at 5% level of significance. From the acceptance of null hypothesis it is concluded that gender and the salary of the child labors are related with one another.

Table – 4: Habit of Child Labour

| Habits | Frequency | Percent |
|---------------|-----------|---------|
| Fighting | 84 | 91.3 |
| Smoking | 3 | 3.3 |
| All the above | 5 | 5.4 |
| Total | 92 | 100.0 |

Table 4 reveals the habit of child labours. Majority 91.3% of the child labour have the habit of fighting, only 5.4% of child labours have the habit of drinking 3.3% of the child labour have the habit of smoking it is concluded that the majority of the child labours have the habit of fighting.

Table – 5: Utilization of Salary

| Utilization of salary | Frequency | Percent |
|-----------------------|-----------|---------|
| Give it to parents | 25 | 27.2 |
| Meet family expenses | 18 | 19.6 |
| Payment of debt | 16 | 17.4 |
| All the above | 33 | 35.9 |
| Total | 92 | 100.0 |

Table 5 reveals the salary utilization by child Labour. Majority (35.9%) of the child labour give their salary to parents, to meet family expenses and to pay the family debt. 27.2% of the child labours give their salary to their parents, 19.6% of them meet their family expenses with the help of their salary, 17.4% o them pay the family debt with the help of their salary. Majority of the child labour give their salary to parents, to meet family expenses and help to pay their family debt.

CONCLUSIONS

Children are the one of the supreme assets of our country. Child labour is a significant problem in India. The most prominent explanation as to why children involve themselves in child labour was related to the economic status of the family, mainly the inability of parents to provide basic needs for their children. Educating a child is a solution for solving the child labours in India. To provide compulsory education to all children's under the age of 14. Many programmes are conducted to eradicate child labour but implementation they are very poor. Government allotted some funds to provide child labour but due to lack of awareness of the poor people they cannot availing their facilities. Some illegally politicians are only getting the benefits and enjoy it. Only give the education is not solve the problem the government should address the poverty and to find the reasons and diminish it.

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MANUSCRIPT SUBMISSION

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2. Book review must contain the name of the author and the book reviewed, the place of publication and publisher, date of publication, number of pages and price.
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5. The abstract should summarize the context, content and conclusions of the paper in less than 350 words in 12 points italic Times New Roman. The abstract should have about five key words in alphabetical order separated by comma of 12 points italic Times New Roman.
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EXAMPLES OF REFERENCES

All references must be arranged first alphabetically and then it may be further sorted chronologically also.

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Fox, S. (1984). Empowerment as a catalyst for change: an example for the food industry. *Supply Chain Management*, 2(3), 29–33.

Bateson, C. D.,(2006), ‘Doing Business after the Fall: The Virtue of Moral Hypocrisy’, *Journal of Business Ethics*, 66: 321 – 335

• Multiple author journal article:

Khan, M. R., Islam, A. F. M. M., & Das, D. (1886). A Factor Analytic Study on the Validity of a Union Commitment Scale. *Journal of Applied Psychology*, 12(1), 129-136.

Liu, W.B, Wongcha A, & Peng, K.C. (2012), “Adopting Super-Efficiency And Tobit Model On Analyzing the Efficiency of Teacher’s Colleges In Thailand”, *International Journal on New Trends In Education and Their Implications*, Vol.3.3, 108 – 114.

- **Text Book:**

Simchi-Levi, D., Kaminsky, P., & Simchi-Levi, E. (2007). *Designing and Managing the Supply Chain: Concepts, Strategies and Case Studies* (3rd ed.). New York: McGraw-Hill.

S. Neelamegham," Marketing in India, Cases and Reading, Vikas Publishing House Pvt. Ltd, III Edition, 2000.

- **Edited book having one editor:**

Raine, A. (Ed.). (2006). *Crime and schizophrenia: Causes and cures*. New York: Nova Science.

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Greenspan, E. L., & Rosenberg, M. (Eds.). (2009). *Martin's annual criminal code: Student edition 2010*. Aurora, ON: Canada Law Book.

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Bessley, M., & Wilson, P. (1984). Public policy and small firms in Britain. In Levicki, C. (Ed.), *Small Business Theory and Policy* (pp. 111–126). London: Croom Helm.

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Young, M. E., & Wasserman, E. A. (2005). Theories of learning. In K. Lamberts, & R. L. Goldstone (Eds.), *Handbook of cognition* (pp. 161-182). Thousand Oaks, CA: Sage.

- **Electronic sources should include the URL of the website at which they may be found, as shown:**

Sillick, T. J., & Schutte, N. S. (2006). Emotional intelligence and self-esteem mediate between perceived early parental love and adult happiness. *E-Journal of Applied Psychology*, 2(2), 38-48. Retrieved from <http://ojs.lib.swin.edu.au/index.php/ejap>

- **Unpublished dissertation/ paper:**

Uddin, K. (2000). A Study of Corporate Governance in a Developing Country: A Case of Bangladesh (Unpublished Dissertation). Lingnan University, Hong Kong.

- **Article in newspaper:**

Yunus, M. (2005, March 23). Micro Credit and Poverty Alleviation in Bangladesh. *The Bangladesh Observer*, p. 9.

- **Article in magazine:**

Holloway, M. (2005, August 6). When extinct isn't. *Scientific American*, 293, 22-23.

- **Website of any institution:**

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