

LISTED IN CABELL'S DIRECTORY, USA
& ULRICH'S PERIODICAL, USA

ISSN 0975-4601



SAARANSH

RKG JOURNAL OF MANAGEMENT

Vol : 5

No : 2

January 2014

Contents

- ADEQUACY OF CASH POSITION OF SMALL SCALE INDUSTRIES IN GUJARAT 3
Dr. Gaurang kumar, C. Barot
- CAUSE RELATED MARKETING: A STUDY ON CORPORATE MOTIVE 6
Kota Neela Mani Kanta, Prof. D.V Ramana, Prof. V. Mallikarjuna
- GROUP DYNAMICS IN SMALL SCALE INDUSTRY OF UTTAR PRADESH:
ISSUES THAT AFFECTS IN LONG RUN 14
Dr. Gaurav Sankalp
- IMPACT OF PARTICIPATIVE MANAGEMENT ON JOB INVOLVEMENT & JOB
SATISFACTION 17
Sweta Singh, Dr. R. K. Lodhwal
- INTERNET BANKING WITH SPECIAL REFERENCE TO FEMALE 29
Harshita Bhatnagar, Prof. N.S Rao
- THE NEED AND EFFECTIVENESS OF INNOVATIVE PLANNING AND IN
TECHNOLOGY PLANNING: A SPECIAL STUDY OF CENTRAL COALFIELDS LTD 35
Mr. Anand Prasad Sinha, Dr. Bhawna Bhatnagar, Mr. Ashok Kumar Asthana
- A STUDY ON RETAIL STORE SERVICE QUALITY DIMENSIONS AT RELIANCE
RETAIL STORES IN TIRUPATHI REGION, ANDHRA PRADESH, INDIA 39
Dr. K. Lavanya Latha
- ROLE STRESS AMONG THE TEACHERS OF TECHNICAL EDUCATION:
A STUDY OF POORVANCHAL REGION 48
Durga Wati Kushwaha, Dr. R.K. Lodhwal
- A STUDY OF SALES PROMOTION MIX ON CUSTOMER SATISFACTION WITH
REFERENCE TO SHOPPING MALLS IN INDORE 55
Satnam Kour Ubeja, D.D. Bedia
- SOCIAL MEDIA MARKETING AND ITS ROLE IN ENHANCING A BRAND'S EQUITY 64
K. Venkateswara Raju, Dr. D. Prasanna Kumar
- CHANGING PARADIGMS IN REGULATING AND DEREGULATING
THE SUGAR PRICING MECHANISM IN INDIA 77
Dr. Musheer Ahmed, Faizanur Rahman
- MEASURING SERVICE QUALITY IN INSURANCE SECTOR 87
Upendra Singh Panwar, Dr. Anukool Manish Hyde
- ANALYSIS OF LINE EXTENSION DONE BY VARIOUS COMPETING BRANDS
IN TOOTHPASTE SEGMENT AND ITS IMPACT ON CONSUMERS' MIND-SET 94
Mrs. Anupama C Dave, Dr. Sarika Srivastava

An International Bi-annual Refereed Research Journal



Founder
(Late) Shri Raj Kumar Goel Ji

Commandment

From The Founder

We are building our Institute as an ideal family, the RKGIT PARIWAR where members strive for the development, well being and promotion of each other.

अज्ञानेनावृतं ज्ञानं ।

श्रीमद् भगवत् गीता अध्याय 5, श्लोक 15

CHIEF PATRON

Shri Dinesh Kumar Goel
Chairman, RKG Group of Institutions

PATRON

Dr. B.K. Gupta
Advisor-RKG Group of Institutions

Dr. Laxman Prasad
Director-(R&D) RKG Group of Institutions

Prof. D.R. Somashekar
Director-RKGIT, Ghaziabad

EDITORS

Dr. Arvind Singh
Principal-RKGIT (MBA)
Ghaziabad

Dr. Ashutosh Agrawal
Associate Professor-RKGIT (MBA)
Ghaziabad

EDITORIAL BOARD

Dr. Neeta Awasthy
Director-RKGITW
Ghaziabad

Dr. Ashish Soti
Director-RKGEC
Ghaziabad

Dr. Vibhuti
Head Dept. of Mgt. RKGIT
Ghaziabad

ADVISORY BOARD

Prof A. K. Sarkar
Professor, Dept of Business Admin.,
MJPR University, Bareilly

Prof B. N. Asthana
Ex Vice Chancellor
Kanpur University, Kanpur

Prof. B. L. Mathur
Professor in EAFM
University of Rajasthan, Jaipur

Prof. Bhagirath Singh
Ex Vice Chancellor,
M.D.S. University
Ajmer (Raj)

Prof D. P. S. Verma
Formerly Professor of Commerce
Delhi School of Economics
University of Delhi

Prof. D. N. Kakkar
Head, Dept of Management
IET Campus, Lucknow

Prof. Gagan Kukreja
College of Business & Finance
Ahila University, Kingdom of Bahrain

Prof. H. K. Singh
Professor of Finance
Faculty of Commerce
BHU, Varanasi

Prof Jagdish Prakash
Ex Vice Chancellor,
University of Allahabad

Prof K. M. Upadhyay
Ex Head, Commerce & Business Studies
Jamia Milia Islamia University
New Delhi

Prof M. B. Shukla
Director & Dean
Institute of Management Studies
M. G. Kashi Vidyapeeth, Varansi

Prof Nageshwar Rao
Professor
Vikram University, Ujjain

Prof. R. Kumar
Dept. of Commerce & Bus. Admin.
Jamia Milia Islamia- A Central
University New Delhi

Prof. R. L. Tamboli
Prof. of Accountancy & Statistics
M. L. Sukhadia University, Udaipur

Prof. Raj Kumar
Professor of Management
FMS, BHU, Varanasi

Prof. S. P. Singh
Head & Dean, FMS
Gurukul Kangri Vishwavidyalaya
Haridwar

Prof. S. K. Jain
Vice Chancellor
Shri Mata Vaishno Devi
University, Katra (J & K)

Prof. Shyam Bahdur Katuwal
Tribhuvan University
PG Campus, Biratnagar, Nepal

EDITORIAL ASSISTANCE

Ashish Kumar Singh

Aims & Scope

SAARANSH is an international bi-annual refereed research journal published by RKGIT (MBA), Ghaziabad. The objective of the journal is to provide a forum for discussion of advancement in the area of management. The journal published research papers, articles, book reviews & case studies. The journal invites manuscripts on all aspects of management and business environment.

The information, contents, opinion and data appearing in the articles and advertisement in the journal are the sole responsibility of the concerned author (s) or the advertisers. The Editor, Editorial Board and publisher disclaim responsibility and liability for any statement or opinion made by the contributors.

All disputes will be subject of the jurisdiction of Ghaziabad only.

FROM THE DESK OF THE EDITOR.....✍️

Public-private partnerships should not be seen as public partnerships and private projects. They should rather be viewed as private partnerships and public projects.

—Dr Montek Singh Ahluwalia, Deputy Chairman, Planning Commission, Govt. of India

India is a vast country with abundant natural resources including the second largest population in the world. To constantly keep pace with the ever-growing requirements and needs of its people and to sustain its position as one of the fastest growing economies in the world, India has to keep up the momentum of all-round development especially for its infrastructural sector. The Public- Private Partnership (PPP) as the model that can effectively and efficiently contribute to the massive requirements of Indian economy and its people as PPP combines the vast governmental machinery and extensive organizational scope of public sector with corporate acumen, professional expertise, advanced technology and exposure to best practices of private sector which provides synergistic optimization of resources at all levels and results in faster and better output to drive up economic development.

Public-Private Partnership has gone through the initial testing phase and the above enumerated successful projects are a testimony to its validity, reliability, viability and suitability to Indian business environment. Scores of new projects coming up all over India is an indication of its widespread acceptability and value-addition utility. Though it does have some negative points like project cost over run or acrimonious negotiations or lack of autonomy private players may carp about. But overall the positive factors and strengths of PPP model like, optimization of resources, professional decisions, application of latest technology, easy access to capital, employment creation, faster completion of projects, superior value delivery to users and consumers and most of all smoother and faster development of infrastructure, which is essential if India is keen to succeed China as the fastest developing economy in the near future, makes PPP one of the preferred vehicles of India's future economic growth and development.

The present issue includes the papers from various facets of management, which covers an arena over finance, Retail, HR Productivity, Social media and Innovation etc.

I would like to extend my sincere thanks towards all who have contributed qualitative and informative research papers. I would like to express my heartfelt gratitude to our reviewers who contributed immensely in making this issue of SAARANSH a comprehensive and resourceful journal.

Dr Arvind Singh



Contents

- ADEQUACY OF CASH POSITION OF SMALL SCALE INDUSTRIES IN GUJARAT 3
Dr. Gaurang kumar, C. Barot
- CAUSE RELATED MARKETING: A STUDY ON CORPORATE MOTIVE 6
Kota Neela Mani Kanta, Prof. D.V Ramana, Prof. V. Mallikarjuna
- GROUP DYNAMICS IN SMALL SCALE INDUSTRY OF UTTAR PRADESH:
ISSUES THAT AFFECTS IN LONG RUN 14
Dr. Gaurav Sankalp
- IMPACT OF PARTICIPATIVE MANAGEMENT ON JOB INVOLVEMENT & JOB SATISFACTION 17
Sweta Singh, Dr. R. K. Lodhwal
- INTERNET BANKING WITH SPECIAL REFERENCE TO FEMALE 29
Harshita Bhatnagar, Prof. N.S Rao
- THE NEED AND EFFECTIVENESS OF INNOVATIVE PLANNING AND IN
TECHNOLOGY PLANNING: A SPECIAL STUDY OF CENTRAL COALFIELDS LTD 35
Mr. Anand Prasad Sinha, Dr. Bhawna Bhatnagar, Mr. Ashok Kumar Asthana
- A STUDY ON RETAIL STORE SERVICE QUALITY DIMENSIONS AT RELIANCE
RETAIL STORES IN TIRUPATHI REGION, ANDHA PRADESH, INDIA 39
Dr. K. Lavanya Latha
- ROLE STRESS AMONG THE TEACHERS OF TECHNICAL EDUCATION:
A STUDY OF POORVANCHAL REGION 48
Durga Wati Kushwaha, Dr. R.K. Lodhwal
- A STUDY OF SALES PROMOTION MIX ON CUSTOMER SATISFACTION WITH
REFERENCE TO SHOPPING MALLS IN INDORE 55
Satnam Kour Ubeja, D.D. Bedia
- SOCIAL MEDIA MARKETING AND ITS ROLE IN ENHANCING A BRAND'S EQUITY 64
K. Venkateswara Raju, Dr. D.Prasanna Kumar
- CHANGING PARADIGMS IN REGULATING AND DEREGULATING
THE SUGAR PRICING MECHANISM IN INDIA 77
Dr. Musheer Ahmed, Faizanur Rahman
- MEASURING SERVICE QUALITY IN INSURANCE SECTOR 87
Upendra Singh Panwar, Dr. Anukool Manish Hyde
- ANALYSIS OF LINE EXTENSION DONE BY VARIOUS COMPETING BRANDS
IN TOOTHPASTE SEGMENT AND ITS IMPACT ON CONSUMERS' MIND-SET 94
Mrs. Anupama C Dave, Dr. Sarika Srivastava

Adequacy of Cash Position of Small Scale Industries in Gujarat

DR. GAURANG KUMAR C. BAROT

INTRODUCTION

Cash is the most important current assets for smooth operation of a business. Cash is the basic input needed to keep the business running on a continuous basis; it is also the ultimate output expected to be realized by selling the service or product manufactured by a firm. A firm should keep sufficient cash neither more nor less. Cash shortage will disrupt the firm's manufacturing operation, while excessive cash will simply remain idle contributing anything towards the firm's profitability. Cash is the money which a firm can disburse immediately without any restrictions. Cash is the currency and coin that a firm has on hand in petty cash drawers, in cash registers, or in checking accounts at the various commercial banks where its demand deposits are maintained. Sometimes near-cash items such as marketable securities or bank time deposits are also included in cash. Cash management is concerned with minimizing unproductive cash balance, investing temporarily excessive cash advantageously, and making the best possible arrangements for meeting expected and unexpected demands on the firm's cash. It involves managing cash flows in-and-out of the firm, cash flow within the firm and cash balances held by the firm at a point of time. Cash management must be thought of in terms of overall liquidity needs of the firm, specifically its current assets and liabilities. In order to reduce the influence of uncertainties with regard to cash needs and to ensure adequate liquidity, firms have to gauge the need for protective liquidity. The efforts involved for this purpose usually take the form of:

1. Explicit identification of the kinds of contingencies against which protection is desirable.
2. Assessment of the probabilities or odds that each of these will develop within a period in future, such as 5 years.
3. Assessment of the probabilities of developments that will create cash drain at the same time.

Cash management is also important because cash constitutes the smallest portion of the total current assets. Yet management's considerable time is

devoted in managing it. An obvious aim of a firm is to manage its cash affairs in such a way as to keep cash balances at a minimum level and to invest the released cash funds in profitable opportunities. Holding of cash has implicit cost in the form of opportunity cost. A financial manager has to adhere to the five R's of money management.

These are:

1. The right quality of money for liquidity considerations;
2. The right quantity whether owned or borrowed;
3. The right time to pressure solvency;
4. The right source;
5. The right cost of capital which the organization can afford to pay.

CONTROL OF CASH

There are five approaches for effective control of cash:

1. Exploitation of techniques of cash mobilization to reduce operating requirements of cash.
2. More efforts to increase the precision and reliability of cash flow forecasting.
3. Maximum efforts to define and quantify the liquidity reserve needs of the firm.
4. The development of alternative sources of liquidity.
5. Aggressive search for more productive uses of surplus money assets.

RESEARCH METHODOLOGY:

I have taken 40 selected small scale industries inventories data for the year 2005 to 2009. Primary and secondary data is opted from its annual publication, and manually verification through interview techniques for this research paper. Data is available at Anand & Baroda districts level (Gujarat) for hypotheses testing I have used Statistics tools for the same. The selected sample or unit is of the

Assistance Professor in Commerce, Silvassa Institute of Higher Learning, Govt. College of Arts, Commerce and Science, (Affiliated to Gujarat University, Ahmadabad) Silvassa (Naroli-396235) D. &N.h.(U.t.) India. Email: Gaurangbarot@Gmail.com Phone: 09979539493



study is all the leading industries which are working in small scale sector. The following selected small scale industries which give the pictures of Anand & Baroda districts level (Gujarat) have been taken for the study.

Selected unites for the Study: Engineering industries (E), Plastics industries (P), Chemical industries(C), Textile industries (T), Furniture industries (F) and Miscellaneous industries (M)

ADEQUACY OF CASH

In planning the management of cash, the two objectives of financial management - liquidity and profitability are kept in mind. Though the cash balance must be adequate to meet obligations in right time, a large cash reserve may be wasteful since these funds may be better employed, elsewhere. But the loss of liquidity also causes the problem

of profitability of the firm. The industries may not only lose cash discounts but also fail to have better purchase terms from the suppliers. One of the important jobs of the finance manager is to maintain sufficient liquidity to enable the firm to pay off its obligations when they fall due. To test an industries liquidity and solvency the commonly used ratios are current and quick ratios. Traditionally, 2:1 current ratio and 1:1 quick ratio are taken as satisfactory standards for the purpose. The former indicates the extent of the soundness of the current financial position of a firm and the degree of safety provided to the creditors, the latter signifies the ability of a firm to settle its current obligations on a particular date. This ability of a industries is indicative of its strong liquid position.

Position of CURRENT RATIO in selected small scale industries of Anand & Baroda districts are given below:

Table No.1: Current Ratio for 40 Units

YEARS	E	P	C	T	F	MIS	TREND
2005	2.4	1.4	1.6	1.6	1.21	1.21	1.74
2006	2.0	1.1	1.2	1.95	1.00	1.30	1.43
2007	2.05	1.6	1.19	1.79	1.72	1.24	1.60
2008	2.6	0.7	1.08	1.82	1.11	1.19	1.42
2009	1.9	1.2	1.45	1.48	1.50	1.50	1.46
Average	2.19	1.2	1.30	1.86	1.39	1.23	

The above table shows that the current ratio in all the years for all the industry groups taken together varies from 1.42 to 1.74. The trend of the industry is in a decreasing trend. And the average of the industries is also in a decreasing trend. This indicates a worsening solvency position. And the industries are operating on high risk factor. Under pressure of payment of current liabilities, they will be weak and vulnerable. In the engineering industries group the ratio exceeded the standard limit of 2 but showed a decreasing trend. In plastic industries the ratios was below 1:1. This means that the industry financed major portion of their current assets through current liabilities. The textile units showed the downward tendency of current over the

years under study. The plastic industry showed lower current ratio. A high current ratio in engineering units indicates that some funds are lying idle. In short, the low current ratio in the industries shows that their liquid resources are below the standard norms.

HYPOTHESIS TESTING

H0 There would be no significant difference in the current ratio of selected small scale industries of Anand & Baroda district during the period of the study.

H1 There would be significant difference in the current ratio of selected small scale industries of Anand & Baroda districts during the period of the study.

Table No.2 ANOVA ANALYSIS

Current Ratio					
Source of Variation	SS	df	MS	F	F crit
Between Groups	4.075337	5	0.815067	11.44356	2.620654
Within Groups	1.7094	24	0.071225		
Total	5.784737	29			

RESULT OF HYPOTHESIS:

The above table indicates the calculated value of 'F'. The calculated value of 'F' is 11.44 which is more than the table value of 'F'. The table value of 'F' at 5% level of significance is 2.620. It indicated that the null hypothesis is rejected and alternative hypothesis is accepted. So, it indicates that there is a significant difference in the current ratio of selected small scale industries of Anand & Baroda districts.

PART-III: CONCLUSION:

The selected industries were found that current

ratio much below the standard and that too with a declining trend. In the engineering industries group the ratio exceeded the standard limit of 2 but showed a decreasing trend. In plastic industries the ratios was below 1:1. This means that the industry financed major portion of their current assets through current liabilities. The textile units showed the downward tendency of current over the years under study. The plastic industry showed lower current ratio. A high current ratio in engineering units indicates that some funds are lying idle. In short, the low current ratio in the industries shows that their liquid resources are below the standard norms.

REFERENCES

1. Bhattacharya, D. K., "Research Methodology", Excel Books, 1st Edition, (2005).
2. Gupta, S. P., "Statistical Method", Sultan Chand & Sons, Educational Publishers, New Delhi, (2001) (2005).
3. Kothari, C. R., "Research Methodology", Wishwa Prakashan, (1998).
4. Levin, Richard I. and Rubin, David S., "Statistics for Management", Prentice Hall of India Pvt. Ltd., New Delhi, 7th Edition, (2003).
5. Stevenson, William J., Harper and Row, "Business Statistics", (1978).



"Cause Related Marketing: A study On Corporate motive"

Kota Neela Mani Kanta*
Prof. D.V Ramana**

Prof. V. Mallikarjuna***

ABSTRACT

This paper is intended to understand the factors influencing the attribution of corporate motive, when a firm is associated to a cause or charity programme. The researcher feels that public's attribution of corporate motive is key to the success of cause related marketing. It is assumed that attribution of corporate motive can be categorized as altruistic and corporate centric motives. The public assuming cause related marketing campaign initiated by the company as corporate centric motive becomes negative to the company image rather than altruistic motive. In this regard the study has intended to explore the factors influencing the attribution of corporate motive. The study has been successful in understanding the relationship between the factors like longevity, congruence and quantity of purchase influencing corporate motive. This paper has given valuable insights on the variables of corporate motive.

Keywords: Cause related marketing, corporate philanthropy, corporate motive, altruistic motive.

INTRODUCTION

The Public Affairs Council 2012 pulse survey showed that a strong majority of Americans not only desired, but expected companies to be involved in improving communities (<http://pac.org/pulse/>). That is why increasingly global corporations are rethinking their approach to corporate responsibility, evolving toward a model in which traditional donations are supplemented by innovative programs and initiatives that tap into the core strengths of the business. Marketing communication and promotion with a social dimension is a response to the consumer expectation of corporate philanthropy. The increasing importance of Cause Related Marketing (CRM) is an integration of philanthropy in marketing strategy. CRM is defined as a strategy developed by the organization in supporting a cause self or through nonprofit organization with creation of a fund when a customer participates in revenue generating activities of the firm (XX). Cause-related marketing (CRM) is a partnership between a commercial enterprise and a not-for-profit organization in which the business entity uses the name and logo of the not-for-profit agency in advertising and selling its products, and pays the not-for-profit for the right to do that. This type of marketing has the potential to raise significant funds for not-for-profit work, and to increase bottom-line profits for businesses. CRM is becoming popular

in response to its success in enhancing the brand image in the public and customers.

However, the success of cause related marketing is critical to the organization, the company should ensure that association with a not-for-profit organization will have a positive impact on the company's desired customer demographics and it should bolster or at least not alienate the company's customer base. Although one may expect that consumers would respond favorably when a brand engages in an alliance to raise money and awareness for a cause, it is often difficult to predict consumers' reactions to such marketing campaigns. In this regard, attribution of corporate motive is a factor influencing the success of CRM campaign (XX). It is understood from the literature that there are two possible ways in which a CRM association between the corporate and the not-for-profit may be looked at by the customers/publics - corporate-centric motive or altruistic motive, i.e. with a profit motive or volunteer/out of interest (XX). Cause campaigns attributed as corporate-centric may hinder the success as skepticism creeps in, whereas, attribution of altruism enhances the long term image of the organization.

This study is taken up to identify the factors that influence the customer's perception of corporate motive of a CRM campaign.

* Asst Professor, KSRM College of Management Studies, Kadapa, AP. Email: kotamani2003@yahoo.co.in. Ph:09848071295

** School of Business Management, SV University, Tirupathi. Ph:9393608039

*** Principal, Sri Sai college of IT and Management, Kadapa, AP. Email: v.mallik@yahoo.com Ph:9848277018

- Kota Neela Mani Kanta
- Prof. D.V Ramana**
- Prof. V. Mallikarjuna***

FACTORS AFFECTING CORPORATE MOTIVE

Attribution theory addresses the processes by which individuals evaluate the motives of others and explains how these perceived motives influence subsequent attitudes and behavior. When consumers attribute marketing actions to firm-serving motivations, negative reactions to the sponsoring firms often ensue (Andreasen, 1996; Drumwright, 1996; Ellen, Gurin, 1987; Webb & Mohr, 1998). Although this effect is well documented, the process that produces these negative reactions is not completely clear. One explanation of this finding is that consumers use the existence of firm serving motives as a cue to their attitude toward the firm. Ellen et al. (2000) use attribution theory to explain how consumers evaluate companies' CRM campaigns. They state that consumers evaluate and respond to CRM campaigns by making inferences about company's underlying motives of engaging in such a campaign and argue that consumers respond more positively to CRM programs that are altruistically motivated.

This study has considered longevity, congruence and purchase quantity requirement as the variables which give a signal to the customers in perceiving the corporate motive as altruistic or corporate centric.

CONGRUENCE

A company / brand may join with a cause based on its product offerings, market positioning, corporate / brand image, and target market. Congruence may be in terms of the brand's product and the issue that the cause supports, the brand and the cause targeting similar markets, or brand image associations. Consumers have some expectations of corporate social responsibility, in general, or expectation for specific cause. So, the consumer should perceive the company's participation in specific causes as volunteer rather than with some motive. **Congruence** is a perceived link between the cause and brand, this influences the attribution of corporate motive. If the consumers perceive congruency between corporate and the cause, it is attributed as altruistic motive rather than corporate centric motive.

However, support for congruency in cause brand alliance has not been explicit, so it is not enough to say consumers respond positively to congruent alliances because in some cases it has resulted in negative reactions to congruent alliances (Ellen, Mohr and Webb 2000, Mizerski and Sandler 2001). Menon and Kahn (2003) examined the importance of congruity in CRM compared to advocacy advertising and found it to be an important attribute in consumers'

evaluation of corporate social responsibility. So it is prudent that congruence is not the only factor which influences the success of the campaign, having said that, we can't deny the significance of congruence in the success of CRM campaign. It is hypothesized that **perceived congruence between the cause and the brand has positive influence on attribution of corporate motive as altruistic(H_{1a})**

LONGEVITY

The antecedent, longevity, has also been frequently mentioned in the CRM literature as a means to more successful CRM relationships. Drumwright (1996) found that the longer a CRM campaign ran, the higher the perceived commitment of the firm, and the more successful the campaign. Additionally, she found that greater time commitment led to greater perceived balance between other-interested and self-interested motives. Associative learning theory provides theoretical support for the prediction that greater time commitment will lead to a stronger CRM partnership and thus influence the attribution of corporate motive to altruistic than self-centered. CRM partnerships that are consistently managed over the long-term should be more effective than one-time or short-term relationships. The length of time that a brand is involved with a charity is a measure of commitment by the brand to the charity. Therefore, it can be imagined that companies with strategic CRM campaigns are regarded as altruistically motivated than companies with tactical CRM program.

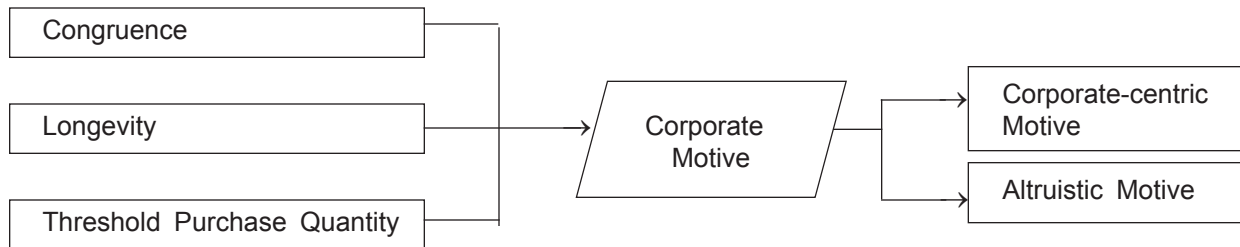
Till and Nowak (2000) suggests that the effectiveness of CRM program increases with its duration. Companies that consistently support a specific cause can benefit significantly in the long run (Welsh, 1999). Varadarajan & Menon (1988) state that CRM campaign with a medium term to long term focus have a higher potential of increasing consumers' perceptions of company image. Moreover, advertising campaigns with social connotations are more likely to be successful with a longer time commitment (Drumwright, 1996). Based on these arguments, it is hypothesized that **"longevity of the relationship between the corporate outfit and the non-profit organization will positively influence attribution of corporate motive(H_{2a})**.

THRESHOLD PURCHASE QUANTITY

We define threshold purchase quantity as the minimum quantity to be bought by the customer so that the company will donate to the cause. Generally to encourage consumers to buy more of their products, companies / retailers often reward customers for

purchasing more (e.g., sales promotions) and more often (e.g., loyalty programs), and it represents a feasible structural element for CRM. Some firms have structured CRM campaigns with minimum purchase quantity requirements. Varadarajan and Menon (1988) note that this phenomenon is consistent with the goals of CRM. But, there is risk that Consumers may infer that objective of CRM campaign is to motivate consumers to purchase more products to make more profit and such heightened requirements may elicit inferences of corporate-centric motives and may damage participation intentions.

Further, and consistent with persuasion theories (Campbell 1995; Campbell and Kirmani 2008; Friedstad and Wright 1994), higher quantities appear to be viewed as tactics that activate consumers' persuasion knowledge and prompt them to question the firm's true motives for the sponsorship of the nonprofit (J.A.G. Folse et al, 2010). Hence, the study intends to test the hypothesis **absence of threshold purchase quantity in a CRM campaign will influence positively on the attribution of corporate motive (H_{3a})**.



RESEARCH METHODOLOGY

Experimental design of after only without control group is adopted with five experimental groups. The experimental groups were named as "V-ray Corp", "Indian Electronics", "db drive", "Bread India", and "Horse Breweries". These names are given after the company names adopted in the advertisement shown to the group. Advertisements were designed

for each company pertaining to the CRM campaign associated by the company. The advertisement also gives the details of the nonprofit organization associated by the company. The experimental groups were presented with the brief outline of company profile, performance in the industry and the cause attributes supported by the company along with the advertisement depicting the CRM campaign.



Fig 2: An advertisement of V-ray Corp shown to a group of respondents

- Kota Neela Mani Kanta
- Prof. D.V Ramana**
- Prof. V. Mallikarjuna***

A structured questionnaire is designed to elicit the responses from the 846 sample respondents belonging to different parts of India. The respondents were reached through selected members (research scholars, faculty members, working students), the questionnaires were sent to these members and after collecting the opinions of the respondents, the questionnaires were sent back to the researcher for further analysis.

The questionnaire was designed to capture the perceptions of the respondents towards the variables- congruence, longevity, threshold purchase quantity and corporate motive. The fit between company/ product and cause selected (congruence) for campaign is measured with items as "The idea that V-ray Corp donates books to children education", "I think that donation for primary education is relevant for V-ray Corp", "I think that supporting primary education is appropriate for V-ray Corp", "I think that V-ray Corp donating to education is a good match between the product and the cause". Response was sought on 7- point Likert scale from "strongly agree" to "strongly disagree".

Longevity means duration of campaign continued by the company in supporting non-profit organization or some cause. This variable is treated as independent variable influencing corporate motive. This variable is measured using the following four semantic differential seven point scale items, "is not committed to/ is committed to charity", "has little invested in the charity/ has a lot invested in Charity", "is not interested in the charity / is interested in the Charity", "is giving a little to the charity / is giving a lot to the charity".

Threshold purchase quantity here pertains to the requirement of certain minimum quantity to be purchased by the customer to participate in the cause campaign conducted by the company. It is assumed that absence of any threshold quantity of purchase will lead to attribution of altruistic motive rather than corporate motive. This variable is measured using the items "I would be willing to purchase the quantity required to participate in the campaign", "It doesn't

matter to me about the quantity to be purchased for participating in the campaign", "It is important to me regarding the quantity of purchase even though the product makes me to involve in CRM campaign". Response is recorded on 7-point Likert scale from "strongly agree" to "strongly disagree".

Corporate motive in supporting a charity or cause can be categorized as, either corporate centric motive or altruistic motive. This variable is measured with items adopted from Szykman, Bloom & Blazing (2004). Semantic differential scale with the following items "impure / pure", "unselfish / selfish", "caring / uncaring", "self-servicing / society-serving", "uninvolved/ involved", and "reactive / proactive" is presented to the respondents with seven points.

ANALYSIS

846 respondents participated in the study from different regions of India, among the respondents 294(34.8%) are between 20-30 years, 368(43.5%) are between 31-40 years, 109(13.0%) are between 51-60 years, and 36(4.3%) are between 61 and above. 476 respondents are male and 370 respondents are female.

Table-1 details the means and skewness results for all the four variables - congruence, longevity, threshold purchase quantity and corporate motive. The means are observed to be above the average (3.5). The respondents have positive perception of congruence with a weighted mean of 5.02. The study has revealed a positive opinion on longevity with a weighted mean of 4.39. The respondents feel positive about the corporate motive behind the CRM campaign (wt mean= 4.27). The respondents are willing to fulfill the threshold quantity requirement to be associated to a cause(wt mean = 4.52).The normality of data is measured through skewness. A skewness value of between -1 to +1 is considered to be acceptable. For all the four variables skewness remained within the acceptable range and hence the data can be assumed to be symmetrically distributed.

Internal coherence of the items in each variable

Table-1: Descriptive Statistics

Variable	N	Mean	Std. Deviation	Skewness		Internal Consistency	
				Statistic	Std. Error	No. of Items	Cronbach's Alpha
Perception of Congruence	846	5.0272	1.83045	-.803	.350	2	.861
Longevity	846	4.3913	1.48666	-.295	.350	6	.817
Corporate Motive	846	4.2790	1.54002	-.556	.350	4	.893
Threshold Purchase Quantity	846	4.5217	1.72226	-.219	.350	3	.949

Source: SPSS output

is assessed by Cronbach's alpha - a measure of internal consistency. The values of Cronbach's alpha are given in Table-1. Internal consistency among the items of different variables is found to be good.

HYPOTHESIS TESTING

H_{1a} stated that when the alliance is perceived as congruent, corporate motive will be attributed as

altruistic motive rather corporate centric motive. To test the hypothesis, the individual means of corporate motive were grouped according to Congruent respondents (N=631, Mean = 6.176) and incongruent respondents (N=215, Mean = 2.5) subjects. Independent sample test is run, considering corporate motive as dependent variable and Perception of congruence: Congruent/Incongruent subjects as grouping variable

Table-2 : Effect of Congruence / Longevity on Corporate Motive

		N	Corporate motive		
			Mean	Std. Deviation	Std. Error Mean
Perception of congruence (Grouping variable)	Congruent	631	4.3883	1.04112	.04145
	Incongruent	215	3.0884	1.27733	.08711
Longevity (Grouping variable)	High	484	4.3402	1.21079	.05504
	Low	362	3.6768	1.18251	.06215

Source: SPSS output

Table-3: Results of Independent Samples t-Test

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference
Longevity	Equal variances assumed	11.031	.001	14.886	844	.020	1.29990	.08732
	Equal variances not assumed			13.475	316.34	.031	1.29990	.09647
Perception of congruence	Equal variances assumed	6.637	.425	7.964	844	.000	.66342	.08330
	Equal variances not assumed			7.991	787.303	.011	.66342	.08302

Source: SPSS output

As indicated in Table 4 & 5, the effect of perception of congruence on corporate motive is significant (F = 11.031; p- value = .001) thus supporting H1. Since, the group with higher mean represents altruistic motive (positive motive) and lower mean represents corporate centric motive, It indicates that congruence has positive influence on corporate motive (Mean =4.388) whereas incongruence makes customer to attribute corporate centric motive (Mean = 3.0884) to the CRM campaign.

To test the second hypothesis (H2), the individual means of corporate motive have been grouped based on individual means of perception of longevity. Longevity is classified as high(N=484, Mean= 5.35)/ low (N=362, Mean =3.23). Independent sample test has been run, considering corporate motive as a dependent variable and longevity as grouping variable. Results indicate that effect of longevity on corporate motive is significant (F = 6.637; p- value = .425) thus supporting H2a.

H3a stated the restriction on quantity of purchase has negative effect on corporate motive. To test the hypothesis correlation and regression are performed, taking corporate motive as dependent variable and

quantity of purchase as independent variable. Table: 8 indicates strong, significant negative relationship between corporate motive and threshold quantity of purchase (Rho = -.713, p-value = .041) supporting H3a.

Table-8: Correlation between Threshold Purchase Quantity and Corporate Motive

		Quantity of Purchase	Corporate Motive
Threshold Purchase Quantity	Pearson Correlation	1	-.713**
	Sig. (2-tailed)		.041
	N	846	846

** Correlation is significant at the 0.01 (1-tailed).

Source: SPSS output

Table-9: Regression Analysis of Threshold Purchase Quantity on Corporate Motive

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.713 ^a	.508	.508	.87135	.508	872.329	1	844	.021

a. Predictors: (Constant), Quantity of Purchase

Source: SPSS output

Table: 9 indicates quantity of purchase is able to explain 50.8% (R² = 0.508, p-value = .021) variance in the dependent variable Corporate motive.

The previous section has analyzed the results of the antecedents of corporate motive in isolation. In this section hierarchal regression is performed to understand the effect of antecedent variables in group on corporate motive. Corporate motive

is taken as dependent variable whereas longevity, congruence and threshold purchase quantity are considered as independent variables. In the first model longevity is tested on corporate motive followed by longevity and congruence (Model 2) and longevity, congruence, threshold purchase quantity (Model 3). The results of the hierarchal regression are detailed in Table 10.

Table-10: Hierarchal Multiple Regression of Corporate Motive

Predictor Variable	β			R ²	ΔR ²
	Model 1	Model 2	Model 3		
Model 1 L	.501**	.361**	.157**	.255	.255
Model 2 CI		.257**	.180**	.387	.132
Model 3 TPQ			.416*	.610	.223

L = longevity, CI = Congruence Importance and TPQ = Threshold purchase quantity.

Source: SPSS output



Longevity alone accounts for 25.5% of variance in corporate motive ($R^2=0.501$, $F=290.755$, $p=0.00$). Congruence and longevity both together are able to explain 38.7% of variance in corporate motive ($R^2=0.387$, $F=182.4$, $p=0.00$). Longevity, congruence and threshold purchase quantity together are able to explain 61% of variance in corporate motive ($R^2=0.61$, $F=483.11$, $p=0.00$).

Discussion

It has been identified that good fit between the cause and the brand / corporate leads to attribution of altruistic motive for the CRM campaign and there by helps it to be successful. On the other hand a misfit can prompt the customers to view the CRM campaign as a mere marketing tool designed to achieve corporate-centric motive. This can be dangerous as the negative perceptions damage the brand/corporate image. In such a case a CRM campaign can prove to be disastrous for the firm. This research has once again highlighted the importance of choosing congruent partners, something that is not always discussed in the market place. This research emphasize on congruency between the partners. The marketer has to form partnership with the cause agents who are not only credible, but also increase the company image. The partner should be compatible with the company image. The partner should not pose any risks and threats to the company image in the future.

REFERENCES

1. Andreason, Alan R. (1996), Profit for Nonprofits: Find a Corporate Partner, Harvard Business Review, Nov-Dec, 47-59.
2. Campbell, M.C., & Kirmani, A. (200), Consumers' Use of Persuasion Knowledge: the Effects of Accessibility and Cognitive Capacity on Perceptions of and Influence Agent.
3. Drumwright, Minette E. (1996), Company Advertising with a Social Dimension: The Role of Noneconomic Criteria, Journal of Marketing, 60 (October), 17-87.
4. Ellen P.S. Mohr L.A. & Webb, D.J. (2000), Charitable Programs and the retailer: Do They Mix? ,Journal of retailing, 76 (3) 393 -406.
5. Friestad, M., Wright, P. (1994) "the Persuasion Knowledge Model: How People Cope with persuasion Attempts" Journal of consumer Research, 21 (June), 1-31.
6. Judith Anne Garretson Folse, Ronald W. Niedrich and Stacy LandrethGrau, Cause-Relating Marketing: The Effects of Purchase Quantity and Firm Donation Amount on Consumer Inferences and Participation Intentions, Journal of Retailing, Vol. 86, pp.295-309, Apr. 2010.
7. Menon, S., & Kahn, B.E. (2003), Corporate Sponsorships of Philanthropic Activities: When Do They Impact Perception of Sponsor Brand?, Journal of consumer Psychology, 13(3), 313-327.
8. Miller, N. (1965), Involvement and Dogmatism as Inhibitors of Attitude Change, Journal of Experimental Social Psychology, vol 1, 121-132.
9. Mizerski, Dick, Katherine Mizerski and Orin Sandler (2001), A field Experiment comparing the Effectiveness of "Ambush" and Cause related Marketing Ad Appeals for social marketing Causes, Journal of Nonprofit and public sector Marketing, 9(4), 25-45

Moreover, a long-term CRM campaign positively influences the customer perception than a short-term one. The corporate should have strategic view in designing CRM campaign rather than short term or tactical view. Corporate should design the CRM campaign with some levels of commitment towards supporting the society even though the ultimate objective could be a profit motive. The campaign can fail if the approach is for the short duration. CRM campaign should not be viewed as an instant sales maker like sales promotion.

Further, it is better to design a CRM programme that doesn't necessitate the customer to buy more than what he/she usually buy in one instance as the stipulation of minimum purchase quantity affects the customer's perception of Company's motive behind the CRM campaign. It is evident that there is negative effect of quantity of purchase on the success of CRM campaign. The marketer should design the CRM campaign on simple terms without any tactics otherwise, this can increase the skepticism in the consumer about the campaign.

So, corporate should exhibit reasonably long term commitments to a cause that better connects to its core business / markets / customers. Furthermore, the firms should refrain from keeping restriction on quantity of purchase to participate in CRM campaign.

- Kota Neela Mani Kanta
- Prof. D.V Ramana**
- Prof. V. Mallikarjuna***

10. Mohr L.A., Webb D.J. and Harris, K.E. (2001), Do consumers expect companies to be socially responsible? The impact of corporate social responsibility on buying behavior, *The Journal of Consumer Affairs*, Vol. 35 No. 1, pp. 47-72.
11. Till, B. and Nowak, L. (2000), Using toward effective use of cause-related marketing alliances, *Journal of Product and Brand Management*, Vol. 9 No. 7, pp. 472-84.
12. Varadarajan, P.R., & Menon, A. (1988), Cause related marketing: A co-alignment of Marketing Strategy, *Journal of Marketing*, 52 (3) 58-75. Vol. 17 No. 2, pp. 226-38.
13. Webb, D.J. and Mohr, L.A. (1998), A typology of consumer responses to cause related marketing: from skeptics to socially concerned, *Journal of Public Policy and Marketing*, 17(2), 226-238.
14. Welsh, J.C. (1999), Good cause, Good Business, *Harvard Business Review*, 77 (5) 21-24.



Group Dynamics in Small Scale Industry of Uttar Pradesh: Issues That Affects in Long Run

Dr. Gaurav Sankalp

ABSTRACT

Groups are the vital part for completion of organizational objectives. Different types of groups are formed according to the nature of the job/work. In small scale industry, group hold a great importance; they facilitate proper and timely completion of task. There are numerous issues which are considered for the groups to work in long run. The present study highlights these factors and reflects their relation with the life span of groups.

Keywords: Group performance, Leadership, Reinvigorating, ANOVA

INTRODUCTION

Groups are replacing individuals as the basic building blocks of organizations. Group is an association of two or more people who interact and influence each other: are mutually accountable for achieving common goals associated with organizational objectives, and perceive themselves as the social entity within an organization. All groups exist to fulfill some purpose, such as assembling a product, providing a service, designing and manufacturing, or making an important decision. Group members are held together by the inter dependence and need for collaboration to achieve common goals. All groups require some form of communication so members can coordinate and share common objectives. Group members also influence each other, although some members are more influential than others regarding the group's goals and activity.

Small scale industry emphasizes more and more on working in groups. This enhances their efficiency as well as helps to finish their projects on time. A successful group will monitor its own effectiveness and progress. Any member of the group who observes that the group is under performing has the responsibility to bring it to the attention of the entire group so that appropriate action can be taken to correct the problem. Occasionally, there may be a member of the group who is not really there to advance the group's objective, but perhaps to advance his or her own individual objective.

Small scale industries hold the core of the economy. There are more than 6,45,640 units which provides employment to 25,67,000 people and having initial investment of (7172.03 Rs Crore)

Name of region	Small Scale Industries		
	Number of Units	Employment	Investment in (Rs. Crore)
Bundelkhand	35859	106034	256.88
Central Region	98524	363243	1381.02
Eastren Region	170486	613925	1427.16
Western Region	307469	1312919	4106.97
Total	645640	2567000	7172.03

Source: Bi Annual Report on Cottage and small scale industry of Uttar Pradesh, NSSO 2011

There are several issues that affect the life span and working of groups. The three important one were

- (a) Group performance
- (b) Leadership
- (c) Reinvigorating

The present paper is based on these three factors and assesses the impact of these factors on the life span of teams.

Materials and Methods

The study was conducted to find the issues that

1. Accademic Consultant, Uttar Pradesh Rajshri Tondon Open University, Allahabad, India

affect the group in the long run. The present study is an analytical and descriptive study based on the primary data. Questionnaire was the tool used for collection of data. Non probability convenient sampling was the sampling technique used as the employees in the population did not have predetermined chance of being selected as the sample subjects and as the data was collected conveniently accessible. The sample size was 126 employees working in the small scale industry and had worked in groups. For analyzing the data ANOVA (Analysis of Variance) Test was used. In this the coding method was applied for analysis. The coding method is based on the fact that the F - test statistic used in the analysis of variance is the ratio of variances without unit of variances.

Area of the study

The area of the study was restricted up to the boundaries of Uttar Pradesh. The fifth largest in area and largest in population.

Hypothesis

The hypothesis to be tested

H_0 - All three factors are equally important for the team in the long run.

H_1 - All three factors are not equally important for the team in the long run.

To test the significance of variation in the life span of teams due to factors a, b and c.

Exhibit 1

Factors → Unit ↓	Group performance	Leadership	Re invigorating
1	7	6	7
2	8	8	2
3	9	4	8
4	3	9	6
5	9	7	5

Exhibit 2

X_1	X_1^2	X_2	X_2^2	X_3	X_3^2
7	49	6	36	7	49
8	64	8	64	2	4
9	81	4	24	8	64
3	9	9	81	6	81
9	81	7	49	5	25
36	294	34	254	28	223

$n = 3$ with $n_1 = n_2 = n_3 = 3$ and $n = 15$

Sum of observations of 3 factors $\rightarrow \Sigma X_1 + \Sigma X_2 + \Sigma X_3 = 98$

$$CF = \text{Correction Factor } \frac{T^2}{n} = \frac{98^2}{15} = 640.27$$

SST = Total of sum of the squares $\rightarrow (\Sigma X_1^2 + \Sigma X_2^2 + \Sigma X_3^2) - CF$

$$(294 + 254 + 223) - 640.27 = 130.73$$

SSTR = Sum of squares between the samples

$$\left(\frac{(\Sigma X_1)^2}{n_1} + \frac{(\Sigma X_2)^2}{n_2} + \frac{(\Sigma X_3)^2}{n_3} \right) - CF$$

$$= 647.2 - 640.27 = 6.93$$

$$SSE = SST - SSTR = 130.73 - 6.93 = 123.8$$

$$df_1 = 5 - 1 = 4 \text{ and } df_2 = 15 - 5 = 10$$

$$\text{Thus } MSTR = \frac{SSTR}{df_1} = 1.73$$

$$MSE = \frac{SSE}{df_2} = 12.38$$

Exhibit 3 ANOVA Table

Source of variation	sum of squares	Degree of Freedom	Mean Squares	Test Statistics
between Samples	6.93	4	1.73	F = 1.73/12.38 = 0.14
Within Samples	123.8	10	12.38	
Total	130.73	14		



The tabular value of F for $k = 4$ and $n = 10$ at $\alpha = 0.05$ is 3.4780. since the calculated value of $F = 0.14$ is less than its tabular value. Thus null hypothesis had been accepted

Discussion

The coding method of ANOVA shows that all three factors are equally important for the groups in the small scale industry to last long. The value of $F = 0.14$ is less than its tabular value.

Conclusion

Concluding that the study undertaken shows that issues for groups like performance, leadership and reinvigorating were equally important for teams to have long life span. All these factors contribute group in the long run. These factors provide a base on which groups can successfully perform. 'drawing a line in the sand² is not the solution. Performance, leadership and reinvigorating combined together and results in 'bright button³' for small scale industry.

REFERENCES

1. S.G. Cohen and D.E. Beiley "what makes teams work; Group effectiveness research from the shop floor to the executive suite" Journal of management 23(may 1997), pg 239-290
2. McShane S.L. and Von Glinow, M.A. , Foundations of team dynamics, Organizational Behavior, Tata Mc Graw Hills Publishing Company Limited, New Delhi, 2005, pg 266
3. Sankalp, G. and Agrawal, S. "Group behavior/Group dynamics" Organizational Behaviour, Sahitya bhawan Publication, Agra, 2010, pg- 203
4. Bi- Annual survey report, NSSO, cottage and small scale industries of Uttar Pradesh, 2011
5. Ashwathapa, K. Team Dynamics, Organizational Behaviour, Himalaya Publishing house, 2005, pg 354-355

2. When you draw a line, you set out limits of what you find acceptable, beyond which you will not go.
3. Mean intelligent or smart person

Impact of Participative Management on Job Involvement & Job Satisfaction

Sweta Singh*

Dr. R. K. Lodhwal**

ABSTRACT

The importance of service sector contribution to economic well-being has been gaining momentum world-wide and India is not an exception to these global trends. Among the various service sector activities, the banking industry in India has received high priority. Globalization has brought about not only a paradigm shift in the functions and operations of Indian commercial banks, but also it has bearing on the psychology of the employees to adopt to the changing needs of the business and satisfying the expectations of the customers. Thus employees' participation has a unique motivational power and a great psychological value. It is widely believed that employee's participation affect employee's job satisfaction, job involvement and employee's productivity and they all can create competitive advantage for the organization. The greatest and widely accepted benefit of participation is the increased work ownership of employee. Thus the main intention of the study is to find out the relationship among employee participation, job satisfaction and job involvement in public and private sector banks.

Keywords: Participative management, employee participation, job satisfaction, job involvement, banks.

INTRODUCTION

Participative Management

The word 'Participation' means sharing the decision making power with lower ranks of the organization in an appropriate manner. Participative Management (PM) came into existence due to powerful social, cultural, political, economic and industrial pressures as well as due to a belief that participative management increases the productive efficiency, fosters industrial harmony and enriches human personality. Participative Management refers to as an open form of management where employees are actively involved in organization's decision making process. The concept is applied by the managers who understand the importance to human intellect and seek a strong relationship with their employees. They understand that the employees are the facilitators who deal directly with the customers and satisfy their needs. To beat the competition in market and to stay ahead of the competition, this form of management has been adopted by many organizations. They welcome the innovative ideas, concepts and thoughts from the employees and involve them in decision making process.

Job Satisfaction

S.P. Robbins (2009) defines Job satisfaction as positive feeling about one's job resulting from an evaluation of its characteristics. Job satisfaction can

be described as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience (Locke 1979). Job satisfaction is based on experience on the job and is an emotional state. It is an important aspect of organizational psychology and quite an interesting one from more than one angle. It can ensure optimum production and minimum obstruction in industries. There are number of ways measuring job satisfaction. The most common ways of measuring job satisfaction are Single Global Rating & Summation Scores.

Job involvement

Job involvement is the degree to which employees immerse themselves in their jobs, invest time and energy in them, and consider work as a central part of their overall lives. Employees with a high level of job involvement strongly identify with their jobs and take utmost care about the kind of job they do. In recent years job involvement has been widely studied by Indian psychologists with special reference to employee's job satisfaction, morale, participation, and performance. Job-involvement plays a vital role in the modern era of employment crisis, disappointment, dissatisfaction and stress. According to Lodahl & Kejner (1965) "job involvement is the internalization of value about the goodness of work or the importance of works in the worth of the person, and perhaps it thus measures the ease with which the person can be further socialized by an organization."

*Sweta Singh, Research Scholar, Faculty of Management Studies, Banaras Hindu University, Varanasi- 221005 (U.P.)

** Dr. R. K. Lodhwal, Associate Professor, Faculty of Management Studies, Banaras Hindu University, Varanasi- 221005 (U.P.)



LITERATURE REVIEW

Likert (1967) emphasized the importance of coordinating the organization-human relationship to enhance productivity and develop human capital. Focusing on human motivation and its impact on job satisfaction and productivity, scholars have conducted research on participative management and empowerment.

Ahmed and Pestonjee (1978) and **Vikas Rajan and Mukesh Kishore (1986)** have reported significant influence of occupational level on job satisfaction. Job involvement, participation and occupational level are found to contribute significantly to positive work feeling, i.e., job satisfaction.

Locke and Schweiger (1979) pointed out that Participatory management practices balance the involvement of managers and their subordinates in information-processing, decision-making, or problem-solving endeavours.

According to **Kanungo (1979)**, satisfaction of needs on-the-job may be a sufficient but not a necessary condition for job involvement. While satisfaction might increase the likelihood of job involvement, it is not a definition of job involvement itself.

Gorn and Kanungo (1980) have conceptualized the notion of job involvement as having two components: (i) the degree to which an individual is involved in a particular job and actively participates in it, and (ii) a psychological state of identification relative to other activities (family, leisure), that is, the importance of work in the person's self image.

Pathak (1983), said that the manner of participation and the level at which it is exercised consequently bring forth outcomes such as organizational effectiveness, job satisfaction, job involvement, etc.

Sashkin (1984, 1986) concluded that encouraging employee participation satisfies employee inner needs and serves as a motivating vehicle resulting in greater productivity and effectiveness for the organization.

According to **Miller and Monge (1986)**, job satisfaction increases productivity through bringing high quality motivation and through increasing working capabilities at time of implementation.

Singh and Pestonjee (1990) explored the effect of job involvement and sense of participation on job satisfaction of bank employees. Study revealed that job involvement and participation were linked positively to job satisfaction.

Singh and Nath (1991) explored the effect of organizational role stress on job involvement of

bank employees. They found employees high on role stress, exhibited lower job involvement than those low on role stress. Study further revealed that organizational role stress was found to be the most powerful predictor of job involvement.

Venakatachalam and Reddy (1996) conducted a study to find out the impact of job level, job tenure and type of organization on job involvement, and job satisfaction among employees working in three organizations viz., banks, school, and government officers.

Venakatachalam et al. (1998) carried out study on banks, schools and government offices subordinates. The study was aimed to find out the effect of job level, organizational identity on job involvement and job satisfaction. The results showed that supervisors were more involved and more satisfied from their job in comparison to their subordinates. Results also revealed that the employees working in banks were more job involved show greater level of job satisfaction than those working in schools and government officers.

Allam (2002) examined job involvement of bank employees in relation to job anxiety, Personality Characteristics, job burnout, age and gender. The result revealed that the job anxiety, job burnout, age and gender were significant related to job involvement.

RESEARCH METHODOLOGY

Statement of the Problem

Among the various service sector activities, the banking industry in India has received high priority. After 1991, the banking scenario has changed completely, the impact of globalization and privatization has affected work culture of both public and private sector banks. Thus employees' participation has a unique motivational power and a great psychological value. Participation makes employees more responsible, they are willing to take initiative and contribute cost-saving suggestions and growth oriented ideas. It is widely believed that employee's participation affects employee's job satisfaction, job involvement and employee's productivity and they all can create competitive advantage for the organization. It is evident from the survey of literature that a very few studies incorporating all these three variables have been undertaken in the context of the banking sector employees. Keeping in view the spectacular expansion and the extraordinary role played by the banking industry in the fast developing economy in our country it is very much of social and academic need to investigate the relationship among employee participation, job satisfaction and

job involvement and a comparison between public and private sector banks.

Objectives of the study:

To assess and compare the levels of participation among the employees of public and private sector banks.

To highlight the difference in levels of participation in public and private sector banks.

To study and compare the levels of job satisfaction among the employees of public and private sector banks.

To evaluate the impact of levels of participation on job satisfaction in public and private sector banks.

To examine and compare the degree of job involvement among the employees of public and private sector banks.

To evaluate the impact of levels of participation on job involvement in public and private sector banks.

To ascertain the relationship between levels of participation and job involvement and between levels of participation and job satisfaction in public and private sector banks.

To study the relationship between job involvement and job satisfaction of the employees in public and private sector banks.

To establish a functional relationship between participation level and job involvement and between participation level and job satisfaction in banking sector.

Hypotheses:

In the light of the available literature concerning relationship among participative management, job satisfaction and job involvement, the following thirteen hypotheses have been formulated:

H₀1: There is no significant difference between the levels of participation of the employees belonging to public and private sector banks.

H₀2: There is no significant difference between the levels of job Involvement of the employees belonging to public and private sector banks.

H₀3: There is no significant difference between the levels of job satisfaction of the employees belonging to public and private sector banks.

H₀4: There is no significant difference between the levels of participation of the employees belonging to different hierarchical level (scale) in public sector bank.

H₀5: There is no significant difference between the levels of participation of the employees belonging

to different hierarchical level (scale) in private sector bank.

H₀6: There is no significant difference between the levels of participation of the employees possessing different length of service (experience) in public sector bank.

H₀7: There is no significant difference between the levels of participation of the employees possessing different length of service (experience) in private sector bank.

H₀8: There is no significant difference between the mean job involvement score of high and low participation groups in public sector bank.

H₀9: There is no significant difference between mean job satisfaction score of high and low participation groups in public sector bank.

H₀10: There is no significant difference between the mean job involvement score of high and low participation groups in private sector bank.

H₀11: There is no significant difference between mean job satisfaction score of high and low participation groups in private sector bank.

H₀12: There is no significant difference between mean job involvement score of high and low job satisfaction groups in public sector banks.

H₀13: There is no significant difference between mean job involvement score of high and low job satisfaction groups in private sector bank.

Research Design:

The research is designed to be a descriptive as well as exploratory one. The present research aimed at studying intensively the impact of levels of participation on two work related attitudes i.e. job involvement and job satisfaction of bank employees in public and private sector banks. The cause and effect relationship in the study has been determined by the 2 x 2 factorial designs and hence two levels – High & Low – of the independent (participation level) variable have been taken. Further, the effect of job satisfaction on job involvement for the employees of public and private sector banks was also studied. Also, the effect of participation level on job involvement and job satisfaction was also studied by applying linear regression for public and private sector bank separately and also combined in both the cases.

Data Collection:

The data collected for the purpose of the study was primary and secondary both. The primary data used for the study was collected through three different questionnaires build by different experts: Psychological



Participation Index Scale by D.M. Pestongee & Dr. A.P. Singh (1978), Job Involvement Scale by Dr. A.P. Singh (1984) and Job Satisfaction Scale by B.L. Dubey (1989).

Measures:

The following standard psychometric devices have been used to quantify the variables under study.

To Measure Participation: Psychological Participation Index (Singh & Pestongee, 1978) comprises of 15 items which are in the form of positively (true) and negatively (false) worded statements. Each Statement has five response alternatives, namely, definitely true, mostly true, sometimes true, mostly false and definitely false. This index covers four areas of the psychological participation, namely, Decision- Making, Autonomy, Opinion- Seeking, and Involvement. The Psychological Participation Scores will be determined by the arithmetic summation of scores endorsed to all the fifteen items. Thus, the maximum possible score will be 75 and minimum will be 15. The lower score indicate lower degree of participation and the high scores higher degree of participation.

To Measure Job Involvement: Job Involvement Scale (A.P. Singh, 1984) consists of 54 items constituting of four response alternatives, namely, strongly agree, agree, disagree, and strongly

disagree. 35 items were true keyed and remaining 19 were false keyed. Thus, the maximum possible job involvement score will be 216 and minimum will be 54. The lower score indicate less involvement and the high score indicate more involvement in the job.

To Measure Job Satisfaction: Job Satisfaction Scale (B.L. Dubey, 1989) has a 5 point Likert type of rating, from agreement to disagreement. The final scale prepared had 25 items, with the possible range of scores 0 to 100, with higher score representing greater job satisfaction. The last two items were scored in the reverse direction, for the rest the strongly agree indicated greater job satisfaction.

Sample plan:

Multistage sampling plan with proportionate stratified sampling has been used.

Sample size:

The sample size considered for the study was 600 and the data was collected from the various branches of SBI (300) and HDFC (300) Bank in four cities Lucknow, Kanpur, Allahabad and Varanasi.

DATA ANALYSIS & RESULTS

Ho1: There is no significant difference between the participation level of the employees belonging to public and private sector banks.

Table-1: Independent Sample t- test for Level of Participation of the employees in Public and Private sector bank.

Sum of all PPI scores	N	MEAN	STANDARD DEVIATION	P- VALUE	DECISION MADE
Public Bank	300	45.68	7.23131	.000 (Sig)	REJECTED
Private Bank	300	34.90	7.02623		

The table above shows that mean sum of Psychological Participation Index (PPI) scores is much higher for Public sector bank (45.68) as compared to Private sector bank (34.90), thus employees in Public sector bank are much more involved in decision making process as compared to Private sector bank. Further independent samples t-test was computed to test the significant difference

between mean PPI scores belonging to public and private banks and it was found to be significant and this reveals that there is a significant difference in the level of participation of employees belonging to public and private sector bank.

Ho2: There is no significant difference between the job Involvement level of the employees belonging to public and private sector banks.

Table-2: Independent sample t- test for Level of Job Involvement of the employees in Public & Private sector bank.

Sum of all PPI scores	N	MEAN	STANDARD DEVIATION	P- VALUE	DECISION MADE
Public Bank	300	137.74	20.934	.000 (Sig)	REJECTED
Private Bank	300	108.92	21.330		

From the above table it is found that employees of public sector bank (137.74) had high level of Job Involvement. On the other hand employees belonging to private sector bank (108.92) had low level of job involvement. Further, to test whether the difference between the mean Job Involvement scores of employees of Public and Private sector bank was statistically significant, the independent

samples t-test was computed whose value was found to be significant and this reveals that there is a significant difference in level of Job Involvement among the employees of Public & private sector bank.

Ho3: There is no significant difference between the job satisfaction level of the employees belonging to public and private sector banks.

Table-3: Independent sample t- test for Level of Job Satisfaction of the employees in Public & Private sector bank.

Sum of all PPI scores	N	MEAN	STANDARD DEVIATION	P- VALUE	DECISION MADE
Public Bank	300	62.65	14.010	.000 (Sig)	REJECTED
Private Bank	300	43.09	13.471		

It can be inferred that mean Job Satisfaction score was much higher for the employees of public sector bank (62.65) as compared to the employees of private sector bank (43.09). Thus, it can be said that employees of public sector bank were highly satisfied whereas, employees of private sector bank were less satisfied. Further, to test whether the difference between the mean Job satisfactions scores of employees of public & private sector bank

was statistically significant, the t-test was computed and it was found to be significant and this reveals that level of Job Satisfaction of the employees of public sector bank differ significantly from those of private sector bank.

Ho4: There is no significant difference between the participation levels of the employees belonging to different hierarchical level (scale) in public sector bank.

Table-4: Chi- square & ANOVA for hierarchical level (scale) and level of participation in public sector bank.

Test	Value of the Static	p-value	Decision made
Chi-square	22.868	.000(sig.)	Rejected
ANOVA	43.904	.000(sig.)	

In chi- square test the value of p was found to be significant, thus it can be inferred from the result there is a significant relationship between the hierarchical level (scale) and levels of participation. Further, the value of F was computed and also found to be significant and the null hypothesis was rejected. Thus the results revealed that there is a significant difference between the levels of participation and the

hierarchical level of the employees in public sector bank i.e. with the increase in the hierarchy of the employee's participation level increases.

Ho5: There is no significant difference between the participation levels of the employees belonging to different hierarchical level (scale) in private sector bank.

Table-5: Chi- square & ANOVA for hierarchical level (scale) and level of participation in private sector bank.

Test	Value of the Static	p-value	Decision made
Chi-square	1.791	.181(not sig.)	Not-Rejected
ANOVA	2.750	.098(not sig.)	

The chi-square value calculated was found to be 0.181 which is more than 0.05 which is insignificant hence the null hypothesis formulated was rejected i.e. there is no relationship between the hierarchical level of the employees and levels of participation

in private sector bank. Further, the F value was also calculated to analyse the significant difference between different hierarchical level (scale) and levels of participation, which was also found to be insignificant, thus it can be inferred that there



is no significant difference between the levels of participation and the employees belonging to different hierarchical level (scale) in private sector bank.

Ho6: There is no significant difference between the levels of participation of the employees possessing different length of service (experience) in public sector bank.

Table-6: Chi- square & ANOVA for experience and level of participation in public sector bank.

Test	Value of the Static	p-value	Decision made
Chi-square	25.918	0.000 (sig.)	Rejected
ANOVA	23.684	0.000 (sig.)	

Computed chi- square value was found to be significant, thus the null hypothesis formulated was rejected i.e. there is a relationship between levels of participation and the employees possessing different length of service in public sector bank. Further, the F value calculated was also found to be significant. Thus, the result revealed that there is a significant

difference between the levels of participation and the employees possessing different length of service (experience) in public sector bank.

Ho7: There is no significant difference between the participation levels of the employees possessing different length of service (experience) in private sector bank.

Table-7: Chi- square & ANOVA for experience and levels of participation in private sector bank.

Test	Value of the Static	p-value	Decision made
Chi-square	13.048	0.001 (sig.)	Rejected
ANOVA	5.340	0.005 (sig.)	

The value of chi-square was found to be 0.001 which is significant, thus the hypothesis formulated was rejected i.e. there is a relationship between levels of participation and the employees possessing different length of service in private sector bank. Further, the F value computed was also found to be significant, hence it can be inferred from the result that there is a significant difference between

the levels of participation and length of service of the employees belonging to private sector bank i.e. levels of participation depends upon the experience of the employees.

Ho8: There is no significant difference between the mean job involvement score of high and low participation groups in public sector bank.

Table-8: Chi- square test for comparison of Participation Level and Job Involvement in 2x2 fold contingency for Public sector bank.

LEVELS OF PARTICIPATION	JOB INVOLVEMENT		Total
	High	Low	
High	86	45	131
Low	59	110	169
Total	145	155	300

$X^2 = 27.920$

$P = .000$

The calculation of Chi-square value to compare the number of high and low participated employees, corresponding to high and low involvement group was done in Table 8. The result obtained showed a high value of Chi-square (27.920), indicated the fact that Involvement and Participation were not independent of each other and the observed

theoretical frequencies in different cell of the table differ significantly and this can also be justified with the help of the P – value (0.000) which is found to be significant. , thus the null hypothesis is rejected.

Ho9: There is no significant difference between mean job satisfaction score of high and low participation groups in public sector bank.

Table-9: Chi- square test for comparison of Participation Level and Job Satisfaction in 2x2 fold contingency for Public sector bank.

LEVELS OF PARTICIPATION	JOB SATISFACTION		Total
	High	low	
High	95	36	131
Low	52	117	169
Total	147	153	300

$X^2 = 51.473$

$P = .000$

A high value of Chi-square indicated that there is a relationship between the Participation Level and Job Satisfaction of the employees belonging to public sector bank and the observed frequencies in the different cells of the table differ significantly and this can also be vindicated with the help of the P – value (.000), which indicated that the differences were significant, thus participation level and job satisfaction are dependent of each other. Thus, our ninth null hypothesis i.e. **“There is no significant**

difference between mean job satisfaction score of high and low participation groups in public sector bank” is rejected and it can be concluded that high participated employees exhibit greater satisfaction in public sector bank.

Ho10: There is no significant difference between the mean job involvement score of high and low participation groups in private sector bank.

Table-10: Chi- square test for comparison of Participation Level and Job Involvement in 2x2 fold contingency for Private sector bank.

LEVELS OF PARTICIPATION	JOB SATISFACTION		Total
	High	low	
High	74	64	138
Low	75	87	162
Total	149	151	300

$X^2 = 1.600$

$P = 0.125$

The result obtained was bit surprising as it gave a very small Chi-square value (1.600) which was not found to be significant and indicated towards the independence of the two variables under the study and hence towards the acceptance of null hypothesis. Thus, it can be interpreted from the results that levels of participation and job involvement are independent variables in private sector bank. Thus, our hypothesis i.e. **“There is no significant difference between the mean job involvement**

score of high and low participation groups in private sector bank” was also rejected i.e. high participated employees are more involved as compared to low participated employees in private sector bank.

Ho11: There is no significant difference between the mean job satisfaction score of high and low participation groups in private sector bank.

Table-11: Chi- square test for comparison of Participation Level and Job Satisfaction in 2x2 fold contingency for Private sector bank.

LEVELS OF PARTICIPATION	JOB SATISFACTION		Total
	High	Low	
High	82	56	138
Low	42	120	162
Total	124	176	300

$X^2 = 34.477$

$P = 0.000$



A high Chi-square value (34.477) indicated the fact that participation and satisfaction were not independent of each other and the observed frequencies in different cells of the table differ significantly which can be justified with the help of P-value which was found to be (.000) significant. Thus, our hypothesis i.e. **“There is no significant difference between the mean job satisfaction score of high and**

low participation groups in private sector bank” was rejected and it can be concluded that high participation leads to higher satisfaction for the employees of private sector bank.

Ho12: There is no significant difference between mean job involvement score of high & low job satisfaction groups in public sector bank.

Table-12: Chi- square test for comparison of Job Satisfaction and Job Involvement in 2x2 fold contingency for Public sector bank.

JOB SATISFACTION GROUPS	JOB INVOLVEMENT		Total
	High	Low	
High	114	33	147
Low	31	122	153
Total	145	155	300

$X^2 = 98.533$

$P = 0.000$

A high value of Chi-square (98.533) indicated the fact that Satisfaction and Involvement were associated with each other and the frequencies obtained in the different cells of the table differ significantly, which can be justified with the help of obtained P- value (.000) was also found to be significant. Thus, our hypothesis i.e. **“There is no significant difference between the mean job involvement score of high**

and low satisfaction groups in public sector bank” was rejected and it can be inferred high satisfied employees are more involved than the low satisfied employees in public sector bank.

Ho13: There is no significant difference between mean job involvement score of high & low job satisfaction groups in Private sector bank.

Table-13: Chi- square test for comparison of Job Satisfaction and Job Involvement in 2x2 fold contingency for Private sector bank.

JOB SATISFACTION GROUPS	JOB INVOLVEMENT		Total
	High	Low	
High	81	43	124
Low	68	108	176
Total	149	151	300

$X^2 = 20.724$

$P = 0.000$

The value of Chi-square was a bit small but it was found to be significant and it indicated towards the dependence of the two variables under study and hence toward the rejection of null hypothesis. Thus, our hypothesis i.e. **“There is no significant difference between the mean job involvement score of high and low satisfaction groups in**

private sector bank” was rejected. Hence, it can be concluded for the employees of private bank also that higher satisfaction leads to higher involvement.

Regression Model I: To Show the Relationship between Job Involvement (Dependent Variable) and Participation Level (Independent Variable) in Banking Sector.

Table-14(a): Model Summary

MODEL SUMMARY ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.723 ^a	.522	.522	17.685

a: Predictors : (Constant), sum of all PPI scores b: Dependent Variable: sum of all JI scores

Explanation: Table 14 (a), represents overall model fit. R is 0.723 indicating a strong relationship between Job Involvement and Participation level.

R square, equals to 52.2% i.e. 52.2 % variation in the dependent variable is explained by the independent variable.

Table-14(b): ANOVA Table

ANOVA ^b					
Model 1	Sum of Squares	Df	Mean square	F	Sig.
Regression	204592.180	1	204592.180	654.138	.000 ^a
Residual	187034.138	598	312.766		
Total	391626.318	598			

a: Predictors : (Constant), sum of all PPI scores b: Dependent Variable: sum of all JI scores

Explanation: Table 14(b) shows the next output element which is an ANOVA table. Here, with F statistics value of 654.138 with a significance level of almost zero we reject our null hypothesis and confirm that the slope of our regression line is

non-zero. ANOVA also tests for the acceptability of the model. The significance value of the F statistics is less than 0.05, which means that the variation explained by the model is not due to chance.

Table 14(C): Coefficients Table

COEFFICIENTS ^a					
Model 1	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Constant	39.998	3.337		11.986	.000
Sum of all PPI Scores	2.068	.081	.723	25.576	.000

a: Dependent Variable: sum of all JI scores

Explanation: Table 14(c), is called as table of coefficients. There is one intercept (constant) and one slope. The intercept represents the value of dependent variable (job involvement) when the independent variable (participation level) equals to zero. The slope represents the marginal change in dependent variable (job involvement) associated with one unit change in the corresponding independent variable (participation level), if the other independent variables if they are in the model remains unchanged i.e. if job involvement is to increase by one unit, then participation would increase by 2.068 units, on an average. The coefficient table also reports standardized coefficients or beta for an independent variable. The beta allows comparing the relative importance of each independent variable in the

model; it tells which independent variable will have a greater impact on the dependent variable. In the last two columns of the table there are t- ratios and their significance level. The significance tells us that the participation has a statistically significant relationship to job involvement.

Thus, Model I can be expressed as an equation shown below:

$$\text{Job Involvement} = 39.998 + 2.068 (\text{Participation Level})$$

Regression Model II: To Show the Relationship between Job Satisfaction (Dependent Variable) and Participation Level (Independent Variable) in Banking Sector.

Table-15(a): Model Summary

MODEL SUMMARY ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
2	.833 ^a	.693	.693	9.346

a: Predictors : (Constant), sum of all PPI scores b: Dependent Variable: sum of all JS scores



Explanation: Table 15 (a) too reports a strong correlation (0.833) between the observed models predicted values of the dependent values. The R square value (0.693) is too very strong and shows

that 69.3 % of the variation in the dependent variable (job satisfaction) is explained by the independent variable. The value of adjusted R square (0.693) also comes out to be high indicating a strong model fit.

Table-15(b): ANOVA Table

ANOVA ^b					
Model 2	Sum of Squares	Df	Mean square	F	Sig.
Regression	118104.921	1	118104.921	1.352E3	.000 ^a
Residual	52236.939	598	87.353		
Total	170341.860	599			

a: Predictors : (Constant), sum of all PPI scores b: Dependent Variable: sum of all JS scores

Explanation: Table 15(b) shows the ANOVA table. F statistics is less than 0.05 which means that the variation explained by the model is not due to chance. Table 15 (b) also tests for the null hypothesis that

the true slope for the regression line equals zero. Here, with F statistics being significant, we reject our null hypothesis and confirm that the slope of our regression line is non-zero.

Table-15(C): Coefficients Table

COEFFICIENTS ^a					
Model 1	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Constant	39.998	3.337		11.986	.000
Sum of all PPI Scores	2.068	.081	.723	25.576	.000

a: Dependent Variable: sum of all JS scores

Explanation: Table 15(c), is the table of coefficients. There is now one intercept (constant) and one slope. The intercept represents the value of dependent variable (job satisfaction) when the independent variable (participation level) equals to zero. The slope represents the marginal change in dependent variable (job satisfaction) associated with one unit change in the corresponding independent variable (participation level), if the other independent variables in the model remain unchanged i.e. if job satisfaction is to increase by one unit, then participation would increase by 1.571 units, on an average. The beta allows comparing the relative importance of each independent variable in the model; it tells which independent variable will have a greater impact on the dependent variable. In the last two columns of the table there are t- ratios and their significance level. The significance tells us that the participation has a statistically significant relationship to job satisfaction.

Thus, Model II can be expressed as an equation shown below:

$$\text{Job Satisfaction} = 1.571 (\text{Participation Level}) - 10.443$$

Conclusion & Suggestions:

From the above results, the following conclusions may be drawn:

The study revealed that there is a significant difference between the level of participation of the employees belonging to public & private sector bank. It was also interpreted from the results that level of participation is much higher for the employees of public sector bank as compared to private sector bank thus; steps must be taken by private sector bank to improve participation of employees in decision making process.

The study also established that, the mean job involvement score is much higher for public sector bank as compared to private sector bank i.e. employees of public sector bank have high level of job involvement than private sector bank.

It was also found that level of job satisfaction is much higher for the employees belonging to public sector

bank than the private sector bank, thus concluding that there is a significant difference between levels of job satisfaction for the employees of public and private sector bank.

It was also found from the study that there is a relation between level of participation and hierarchical level (scale) of the employees belonging to public sector bank whereas, no relation was found between hierarchical level and level of participation for the employees in private sector bank.

In banking sector, the length of service (experience) plays vital role in as a significant difference was found between the length of service (experience) and participation level for both public and private sector bank.

The study also explored that involvement levels of employees were significantly influenced by the participation level for both public and private sector bank.

The study also established that, job satisfaction is highly influenced by the participation level of the employees belonging to public and private sector banks. It was found that high participated group employees were more satisfied as compared to low participated employees thus we can conclude that factors such as growth, transparency and the level of decision making power affect the degree of job satisfaction (**Shamni Pandey & Kamath 2000**).

Further, influence of job satisfaction on job involvement was also measured for the employees belonging to public and private sector banks and the difference was found to be significant. Evidence from existing literature thus, it can be concluded that job involvement is significantly related to job satisfaction (**Weissenberg and Gruenfeld 1968**).

Variables like job involvement, participation and job satisfaction are highly correlated (**Singh & Pestongee 1990**). A strong functional relationship was studied with the help of Linear regression model between participation level (independent variable) and job involvement, job satisfaction (independent variable) and it was found from the model that both the dependent variable is significantly affected by the independent variable. Thus, making the role of participation as important element for job satisfaction and job involvement and the overall model fit was found to be high for the employees of the banking sector.

Scope for future researches:

Further, researches should be directed towards the exploration of the influence of other factors not considered in this study like situational and personality factors on the job involvement and job satisfaction level of the bank employees and factors affecting participation level of the bank employees for the effective and efficient working of the organization in this competitive environment.

REFERENCES

1. Allam, Z. (2002), 'A study of job involvement among Bank employees as related to job anxiety, personality characteristics and job burnout', Unpublished doctoral thesis, Department of Psychology, Aligarh Muslim University, Aligarh.
2. Ahmed, N. & Pestonjee, D. M. (1978), 'Effect of certain personality characteristics and occupational level on job satisfaction', Proceedings of the 65th session of the Indian Science Congress Association.
3. Gorm, G. J. & Kanungo, R. M. (1980), 'Job involvement and motivation: Are intrinsically motivated managers more job involved?', *Organisational Behaviour and Human Performance*, 26, 266-277.
4. Kanungo, R. M. (1979), 'The concept of alienation and involvement revisited', *Psychological Bulletin*, 86(1), 119-138.
5. Likert, R. L. (1967), *The human organization*, New York: McGraw- Hill Book Co.
6. Locke, E. A. (1976), The nature and consequences of job satisfaction, In M. D. Dunette (Ed.) *Handbook of Industrial and Organisational Psychology*, Chicago, Rand McMally.
7. Locke, E. A. and Schweiger, D. M. (1979), 'Participation in decision making: One more look', *Research in Organizational Behavior*, Vol. 1: 265-339.
8. Lodahl, T. M., and Kejner, M., (1965), 'The definition and measurement of job involvement', *Journal of Applied Psychology*, 49, 24-33.
9. Miller, K. I. & Monge, P. R. (1986), The development and test of a system of organizational participation and allocation. In M. McLaughlin (Ed.), *Communication Yearbook 10*: in press. Beverly Hills, Calif.: Sage Publications.
10. Pathak, R. D. (1983), 'Worker's participation in management- A conceptual framework', *Indian Labour Journal*, 24(6), 815-823.



11. Sashkin, M. (1984), 'Participative management is an ethical imperative', *Organizational Dynamics*, 12(4):4-22.
12. Singh, M. & Pestonjee, D. M. (1990), 'Job Involvement, Sense of Participation and Job Satisfaction: A Study in Banking Industry', *Indian Journal of Industrial Relations*, Vol. 26, No. 2, 159-165
13. Venakatachalam, J., & Reddy, K. S. (1996), 'Impact of job level and job tenure on work involvement, job involvement and job satisfaction in different organizations', *Human Relations*, pp. 76-81.
14. Venakatachalam, J., Reddy, K. S., & Samullah, S. (1998), 'Effect of job level and organizational identity on job involvement and job satisfaction: A study of different organizations', *Management and Labour Studies*, 23(3), pp. 421-427.

Internet Banking with Special Reference to Female

Harshita Bhatnagar*

Prof. N.S Rao**

ABSTRACT

The banking and financial sector in India underwent a significant liberalisation process in the early 1990s, which led to changes in the Indian banking structure. Customers are no longer willing to stand in a queue or wait for the services. In fact they demand and expect to transact their financial dealings where and when they wish to. Therefore electronic delivery of banking services is becoming the ideal way for banks to meet their clients expectations. Hence present research is based on data collected through the customer survey regarding female perception towards internet banking services. Efforts is done to examine the relationship between the demographics of female and their usage rate, satisfaction and problem faced during the use of internet banking services. For this study primary data is collected from 120 sample respondents from Udaipur city through questionnaire and analysed using Percentage analysis, Scaling technique and Chi-square test. The result of study reveals that maximum female users are youth, highly educated, working and high earning. It is clear that female is having positive perception regarding factors like quickness; increase pace of transaction, energy and time savings. But due to lack of trust on technology and low computer literacy rate, customer hesitates to adopt new technology. It is recommended that instructions to use internet banking services should be made available to customers as well as banks should take initiative to promote female to use and trust the internet bank services.

Keywords: Internet banking, Usage, Customer satisfaction, problems, Percentage analysis, Scaling technique and Chi-square test

INTRODUCTION

A decade of economic and financial sector reforms strengthened the fundamentals of the Indian economy and transformed the operating environment for banks and financial institutions in the country. The proliferation of private sector banks and development in information and communication technology had let to introduction of new products and services implementation of 'Core banking', 'E-banking', 'Internet Banking', 'ATMs', 'Debit Cards, and Credit Cards. The rapid spread of technology has made the Internet the best channel for the provision of banking services and products to customers. The trend towards electronic delivery of banking products and services is increased due to the combination of consumer demand and the increasingly competitive environment of the global banking industry. Since it is now possible to render all banking services electronically, with adequate security and at lower costs, many banking activities are operated through the internet.

In India, ICICI Bank Ltd. was started internet banking service in 1997 as brand name —Infinity followed by HDFC Bank Ltd in Sept 1999. Several initiatives have been taken by the Government of India as well as the Reserve Bank to facilitate the development of e-banking in India. The Government of India enacted the IT Act, 2000 with effect from

October 17, 2000 which provided legal recognition to electronic transactions and other means of electronic commerce. However, of late many public sector banks and scheduled commercial banks have taken a led in this area. The main advantage regarding Internet banking is that its availability 24 hours a day and 7 days a week. Customer's perception and life style plays an important role in growth of Internet banking system. Basic internet banking service enables customers to open new accounts, check account balances and pay utility bills. In spite of several benefits of the Internet in the banking industry, it may prove to be a double edged sword. Therefore banks conducting business online have to consider security and reliability as their first business priority for customer retention.

LITERATURE REVIEW

Banking is undergoing a rapid and radical transformation due to all-pervasive influence of IT, telecommunication and electronic data processing, still so many customers are not aware about different products and services provided by their bank. Majority of the respondents of public sector banks were not using IT enabled services except ATM due to factors like risk, lack of need and operating problem (Rao and Bhatnagar, 2012).

Riquelme (2006) investigated that the majority of customers in the sample are satisfied or very satisfied

*Research Scholar (Pacific University), Udaipur

**Director (MBA) JNRVU, Udaipur



with the service and online systems attributes. The investigation does not support previous findings that more satisfied customers tend to use more products and services or that using internet banking for a longer period is associated with higher levels of satisfaction.

Hundal *et al.* (2005) stated that new technology created new markets and opportunities for the banking sector. Rapid penetration of mobile phones, as a result of new technology innovation in telecommunications, lead to usage of mobile devices in banking services.

Customers who adopt electronic financial services are more likely to perceive problems related to loss of privacy, as the internet seemingly allows other people to access their information easily (Jones, 2000).

RESEARCH GAP

The review of literature suggests that no sufficient work has been done in India with regard to internet banking service and related issues with respect to female. The present study intends to know the customers usage, preference and problem faced in using internet banking service concern regarding female context.

RESEARCH METHODOLOGY

1. Objectives of study

1. To examine the relationship between female demographics and usage pattern of internet banking services.
2. To examine customer preference for different kinds internet banking services.
3. To study the reason behind not using internet banking facilities by female respondents.

2. Research hypothesis

H01: There is no significant relationship in the female respondents demographics and usage pattern with internet banking services.

A. Education

Table 1: Usage pattern and Education

Education	Often	Rare	Never	Karl Pearson Chi-Square test
12	4	5	13	Calculated Value = 24.51 Df = 6
UG	7	10	10	
PG	12	16	6	
Professional	18	17	2	

Ha1: There is a significant relationship in the female respondents demographics and usage pattern with internet banking services.

3. Sampling and Data collection

This study is **descriptive** in nature. Primary data is collected with the help of structured questionnaires which are distributed randomly to the females customer of banks of Udaipur city on the basis of convenience. And it is found that 120 questionnaire are complete which are consider for study.

4. Tools and techniques

The collected data in the present study are analysed through descriptive and inferential statistical techniques. The analysis has been in conformity with the objectives of the study and the hypotheses formulated to achieve those objectives. **Percentage analysis** and **Chi square test** is used to test the collected data regarding usage pattern of female customer regarding internet banking services.

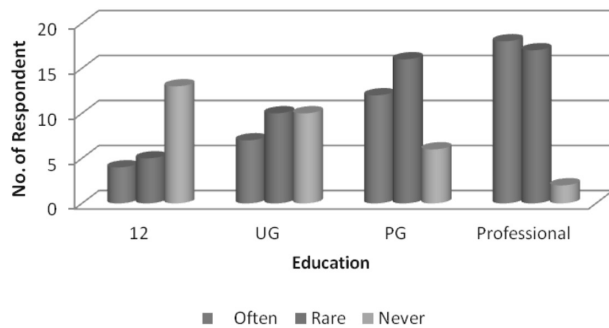
DATA ANALYSIS AND INTERPRETATION

Knowledge of the basic characteristics of the respondents would help in understanding usage pattern and category of females using internet banking facilities. The general characteristics of sample respondents include age, educational status and monthly income etc. The data collected from the sample respondents were analysed and the results are presented and discussed in the following section.

Frequency of use of internet banking services	No of respondents	Percentage
Often	41	34.17
Rare	48	40.00
Never	31	25.83

I. Relationship between demographic of the respondents and usage pattern of internet banking services: - The questionnaire was designed to seek information about the user group age, education and their occupation.

Education and Usage



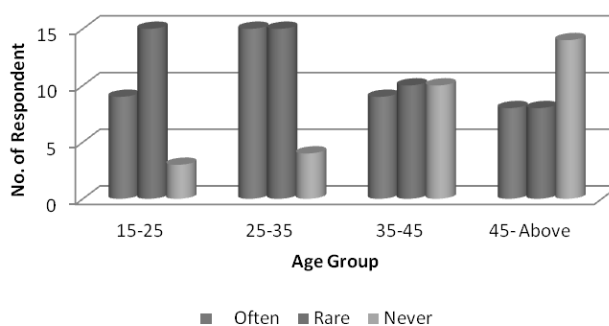
It is observed from the table 1 that, maximum respondents who are professionally educated are frequently using internet banking services. Chi square test revealed that education of the customer significantly influences the usage of internet banking facilities. More educated females are using more services. Therefore banks should pay more attention upon other group in order to attract them towards internet banking services.

B. Age

Table-2: Usage pattern and Age

Age	Often	Rare	Never	Karl Pearson Chi-Square test
15-25	9	15	3	Calculated Value = 15.65 Df =6
25-35	15	15	4	
35-45	9	10	10	
45- Above	8	8	14	

Age and Usage



It is observed from the table 2 that, most of the respondents belong to the age group of 25-35 who are either using services often or rarely. But maximum females who are aware but never used internet banking services belong to the age group of 45 and above. Chi square test revealed that age of the customer significantly influences the usage of internet banking facilities. Thus banks should make such programs to enhance the involvement of females in using internet banking services

C. Income

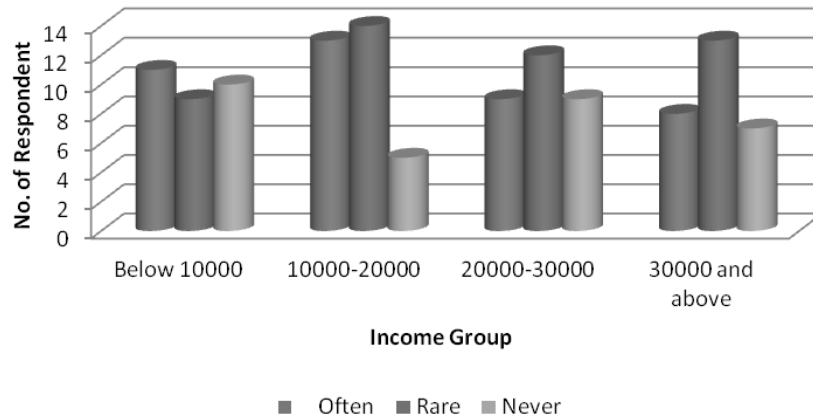
Table-3: Usage pattern and Income

Monthly Income	Often	Rare	Never	Karl Pearson Chi-Square test
Below 10000	11	9	10	Calculated Value = 4.16 Df =6
10000-20000	13	14	5	
20000-30000	9	12	9	
30000 and above	8	13	7	

It is observed from the table 3 that, most of the respondents belong to the income group of 10,000 to 20,000 who are either using services often or rarely. But females who are aware but never

used internet banking services belong to the income group of below 10,000. Chi square test revealed that income of the customer does not significantly influence the usage of internet banking facilities.

Income and Usage



II. Customer preference for internet banking services

Table-4: Analysis of customer preference (percentage)

	Regularly	Sometimes	Never
I pay utility bills	20(16.67)	30(25)	70(58.33)
I check online balance	54(45)	36(30)	30(25)
Transfer money in own accounts	33(27.50)	43(35.83)	44(36.67)
I make online payments	24(20)	35(29.17)	61(50.83)
I apply for different types of loans	15(12.50)	22(18.33)	83 (69.17)
I apply for opening FD/RD account	32(26.67)	16(13.33)	72(60)

Preference

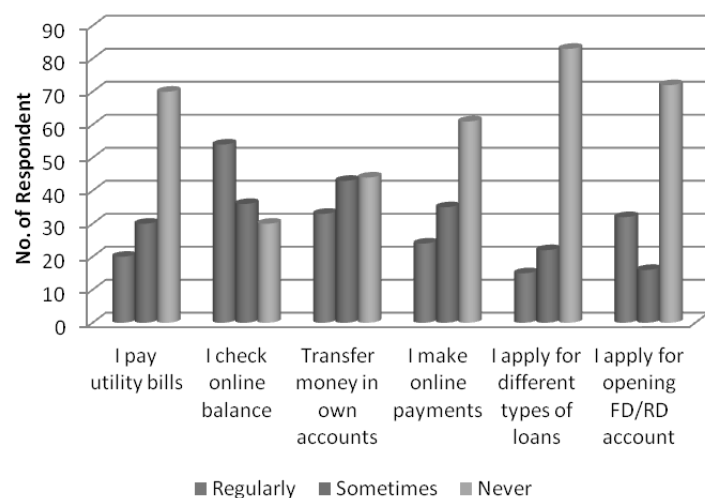


Table 4 shows that people being aware of benefits of internet banking services still like to stand in a queue and pay their utility bills. Data reveals that 58.33% respondents never pay their bills online. But near about 45% females are using internet banking

regularly for checking balance of their account. Another significant benefit is transfer of money from one account to other which is comparatively less availed by respondent. 36.67% females are not availing this facility mostly due to reason like

security and technical problems. Similarly 50.83 % females are not using internet banking services for making online payments. Again maximum 69.17% respondents don't apply for loans online and 60% don't open FD/RD account online. Only few female are using internet banking facilities regularly and sometimes to transfer money, making online payment, loan application and to open account Fd/Rd account.

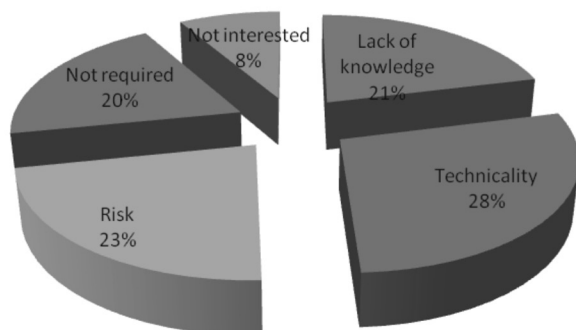
III. Reasons behind not using or less using of internet banking services

While doing the research it is found that female hesitate in using internet banking services due to some constraints which are tabulated in table 5

Table-5: Reason behind not using internet banking services

Problems	Number	Percentage
Lack of knowledge	30	25.00
Technicality	40	33.33
Risk	32	26.67
Not required	28	23.33
Not interested	12	10.00

Reason behind not using internet banking



Customer are agreed that internet banking facilities saves time, increase pace of transaction and makes life easy. But technicality and risk are the most important reason behind not using or less using internet banking services. So it is the responsibility of the bank to make their customer aware about the concerning risk factors and solve their queries regarding the same. Side by side also try to inform that it is a very simple and easy process which can be done from the mobile or computer/laptop.

FINDINGS

The major findings of our study are as follows:

1. Maximum respondents who are professionally educated are frequently using internet banking

services. Chi square test revealed that education of the customer significantly influences the usage of internet banking facilities.

2. Most of the respondents belong to the age group of 25-35 who are either using services often or rarely. But maximum females who are aware but never used internet banking services belong to the age group of 45 and above. Chi square test revealed that age of the customer significantly influences the usage of internet banking facilities.
3. Most of the respondents belong to the income group of 10, 000 to 20000 who are either using services often or rarely. But females who are aware but never used internet banking services belong to the income group of below 10000. Chi square test revealed that income of the customer does not significantly influences the usage of internet banking facilities.
4. 58.33% respondents never pay their bills online.
5. 45% females are using internet banking regularly for checking balance of their account.
6. 36.67% females are not availing this money transfer facility.
7. 50.83 % females are not using internet banking services for making online payments.
8. Again maximum 69.17% respondents don't apply for loans online.
9. 60% respondents don't open FD/RD account online.
10. Technicality and risk are the most important reason behind not using or less using internet banking services.

CONCLUSION

Present research shows that, demographics of the customers are one of the most important factors which influence using internet banking services. Overall results shows that female who are highly educated and youth whether belongs to any income group are availing internet banking services more often. Therefore it is concluded that age and education of the female customer significantly influences the usage of internet banking facilities but not the income. Mostly females use internet banking services for checking account balances whereas other facilities like money transfer, online opening of account, paying utility bills are less used. Maximum customers are aware of benefits of internet banking services but there is a fear of insecurity



among them along with technical operating problems. Therefore bank should try to lessen the hesitation of their customer by discussing and solving their queries regarding the same.

SUGGESTIONS

Appoint customer care executives at bank branch to discuss and solve queries related to internet banking services.

Organize seminars and conferences to make more and more people aware about the benefits as well as security of their accounts.

More emphasis on factor like time saving and cost.

Rewarding the customer for conducting online transaction.

REFERENCE

1. Rao , N.S and Bhatnagar, H. (2012), "Banking services and customer satisfaction-A comparative study of public and private sector bank of Udaipur city", Saraansh RKG journal of management, Vol 4, no. 1, pg 31-37.
2. Riquelme, E. H. (2009), "Internet Banking Customer satisfaction and Online Service Attributes" Journal of internet banking and commerce, Vol. 14, no. 2.
3. Hundal, B S and Jain, A. (2005), "Stimulators of Mobile Banking Adoption in India", The ICFAI Journal of Service Marketing, 3(4), p.50.
4. Jones, S., M. Wilikens, P, Morris, M. Masera (2000), "Trust requirements in e-business: a conceptual framework for understanding the needs and concerns of different stakeholders", Communications of the ACM, 43(12): 81-7.

BOOKS

1. Mohanty A.K, (2005) Core Banking Solution for Banks - The Indian Experience, in E-banking in India: The Paradigm Shift, ICFAI University Press, p. 34.
2. Kothari C.R (1999). ' Research Methodology' Wiley & Sons, New Delhi.

The Need and Effectiveness of Innovative Planning and in Technology Planning: A Special Study of Central Coalfields Ltd

Mr. Anand Prasad Sinha*
Dr. Bhawna Bhatnagar**

Mr. Ashok Kumar Asthana***

ABSTRACT

With the rising complexity and globalization phenomenon, technology has gained overriding objective in the fast changing competitive environment. Contemporary business environment needs latest technology and also imperative for maintaining quality standards in order to remain in the business, so technology has become backbone of corporate sustainability after the pro-market reforms due to immense competition. Presently the Open cast Coal mining industries warrants for state of the art technology.

Keywords: Planning, Innovation, Strategy, Innovative Technology, Workplace, Coal Mines, Technology, Customer, Globalization

INTRODUCTION

This present study explores the importance of innovative planning for effective management of new technology and its implementation in coal mining Industry. For this purpose one of the public sector organization namely Central Coalfields limited and their open cast as well as CMPDI(Central Mine Planning Design Institute Ltd), located at Jharkhand is being selected. With the rising complexity and globalization phenomenon, technology has gained overriding objective in the fast changing competitive environment. Contemporary business environment needs latest technology and also imperative for maintaining quality standards in order to remain in the business. So Technology has become backbone of corporate sustainability after the pro-market reforms due to immense competition.

Purpose of Research

The main purpose of the research is to know the role and importance of innovative planning and its need in the Central Coal fields Open Cast Mines.

Objective of the Study

To understand the importance of effective management of new technology during its implementation phase in Central Coalfields Ltd

Hypothesis of the Study

H₀: Innovative and appropriate planning doesn't influence the technology management and its success in case of open cast mines of CCL.

H₁: Innovative and appropriate planning doesn't influence the technology management and its success in case of open cast mines of CCL.

Research Methodology

Research Design- The concepts of exploratory as well as descriptive research has been used for the present research work.

Research Area (Geographical) - The field of study comprised of Central Coal-fields Limited including its headquarters in Ranchi and the surrounding open cast coal fields located in the state of Jharkhand.

Sampling Technique and Sampling Unit – For the purpose of the present work the concept of judgment sampling has been used. The Sampling unit comprise of respondents from 1) Central Coalfields Limited, Ranchi, and (2) CMPDIL (3) Open Cast Coal Mines of CCL.

Scope of the Research Study

The present research work has limited scope as far as the area covered is concerned but the findings can be applied as well as generalized on the other similar sectors too. The research has been conducted in the geographical area of Jharkhand and the company chosen for the research was CCL (Central Coalfields Ltd) and its subsidiary coal mines (Open Cast)

Research Text

With the rising complexity and globalization phenomenon, technology has gained overriding

*Associate Lecturer Management Department, Birla Institute of Technology, Mesra, Ranchi

**Associate Professor–New Delhi Institute of Management

***Assistant Professor–New Delhi Institute of Management)



objective in the fast changing competitive environment. Contemporary business environment needs latest technology and also imperative for maintaining quality standards in order to remain in the business, so technology has become backbone of corporate sustainability after the pro-market reforms due to immense competition. Presently the Open cast Coal mining industries warrants for state of the art technology. However we (Researcher) feel that there could be two aspect of technology. First is the selection of appropriate and suitable technology and second is the effective management of the same. The study attempts to focus on effective management of new technology in open cast coal mining industries and also attempts to focus on identified various dimensions for effective management of technology in opencast coal mining industries a vital sector of Indian economy. Indian open cast coal mining is still far behind in global standards inspite of implementation and use of best technologies. The study attempts to highlights the problems encountered while managing of technology right from its, Adoption, Implementation & Productive utilization. The background of the research is based on the managerial issues related to the effective management of technology in Central Coal Fields extracting coal which generates almost 40% of the energy requirement of the country.

The success of any business lies in the effective combination of three factors: technology, raw material and capital of which the first is perhaps the most important, since the creation and adoption of new scientific technologies, can, in fact, makeup for the deficiency in natural resources and reduce the demand for capital. Technology is always situation specific. A wrong choice of technology for a product or process can have serious implication on the health of the organization. Therefore assessment and evaluation with respect to its cost effectiveness, availability of raw materials and skills available needs to be established.

Importance of Technology and its Effective Management

Effective management is essential for the success of organization. Successful conceptualization and implementation of projects require the coordination of a wide array of activities, information and expertise. Since business opportunities are time bounded, so an organization needs to act quickly for availing the benefits of new and innovative technology in an efficient manner for the project which are to be implemented within a short duration of time. These challenging developments in the business

environment have heightened the need for effective management and control of the procedure and technology. Thus, effective and efficient achievement of any goal at corporate or individual level requires a systematic and well planned process of decision-making. Effective management requires the setting of clear objective without having a clear objective no individuals or group can perform effectively or efficiently. (Sushil K. Bhalla ,1987)

Importance of Planning in Effective Technology Management

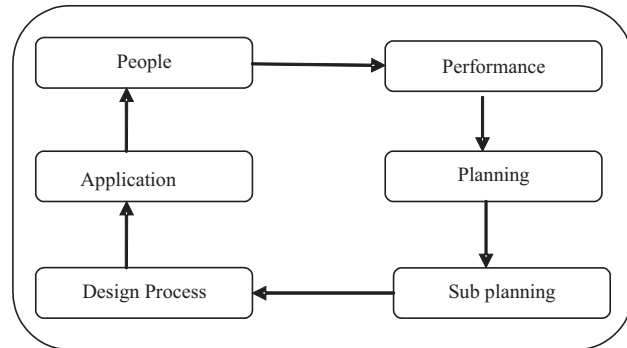
Successful companies recognize the crucial importance of managing their R&D investments and processes on a systematic and repeatable basis. Effective technology planning is essential for aligning R&D spending with current and future business strategies, balancing product and process innovations, and leveraging a company's intellectual property to its fullest potential. As **Drucker (1966)** has pointed out, "The most common source of mistakes in management decision-making is the emphasis on finding the right answer rather than the right question. It is not enough to find the right answers; more important and more difficult is to make effective the course of action decided upon. Management is not concerned with knowledge for its own sake; it is concerned with performance." Planning is the process of determining organizational aims, developing premises about the current environment, selecting the course of action, initiating activities required to transform plans into action, and evaluating the outcome. In the context to the present case planning, selection and implementation of technological inputs and its advancements leads to the organizational success and its effectiveness. Coupled with forecasting effective and efficient planning is needed to transform the entire aspect related to the technology and its implementation at the central coal fields. The growing complexity of the modern business, technological changes and growing competition calls for technology management in current and future stages. Since planning takes a future outlook, it takes into account the possible future development too. Availability of men, machinery, materials and money in time is the first necessity to achieve a definite production target. Mine planning is based on large heuristic and empirical knowledge and, therefore, it belongs to one of the most complex engineering problems (**Martens, et.al. 1997**). A process of surface coal mine planning involves selection of coal property, making decisions regarding appropriate mining method, selection of types and number of equipments;

and producing mine designs to make an optimum use of equipments and manpower (Chhipa et al, 1995). A development of an effective open pit mine scheduling procedure generates and evaluates an extraction sequence of mining blocks over short periods of time. It becomes highly desirable in today's competitive and high risk mining world with low commodity prices (Elevli, 1995). A group of researchers comprising of (Ray, 1984), Bordia (1978) and Sinha (1976) highlights the application of mining investment appraisal techniques and the principles of mine system design for a techno-economically feasible planning in coal mines

Starting Innovative Planning Practices inside Organization

The initiative aims to support and helps to innovate new business strategies to meet long term objectives. Innovation & business transformation are essential factors that complement each other and their balanced approach is much needed to sustain and develop. The following procedure can be used to start the innovative planning practices at grass root

level inside the organization but before its use and implementation the idea and benefits of innovative planning practices must be properly communicated to the employees and the doubts that arise should be properly addressed.



Model-1: Starting Innovative Planning Practices inside Organization

Hypothesis Test of Planning for CCL and CMPDI

Table-1

Response Scale Location	Question / Query – 1 (Under Consideration)		Total
	CCL	CMPDI	
Important	44 48.4%	20 29.0%	64 38.7%
Highly Important	47 51.6%	49 71.0%	96 61.3%
Total	91	69	160

Table-2

Chi-Square Tests					
	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	6.133 ^a	1	.013		
Continuity Correction ^b	5.352	1	.021		
Likelihood Ratio	6.231	1	.013		
Fisher's Exact Test				.015	.010
Linear-by-Linear Association	6.094	1	.014		
N of Valid Cases ^b	160				

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 27.60.
b. Computed only for a 2x2 table

The responses given by open cast coal mines presents that planning (Innovative Planning) is highly important for effective management of new technology. Planning is crucial for quick and timely commercialization



of technologies. If technology planning is not done effectively then the investment in technology will yield no results. Further the different sites of mining units does not require location base planning for the effective management of installed technology for coal extraction. According to Central Coalfield Ltd (Head Office) and Central Mine Planning Design Institute (Planning division), 61.3% respondents agreed that planning is highly important to install technology for coal extraction as shown in table no 1. After Calculating the Chi- Square Value comes to be 6.133 at degree of freedom 1 and also the value of p value is calculated as 0.013 (as shown in table no 2), which is greater than the tabulated value (tabulated value is 3.84) at 95% confidence level, so it's significant. It means influences of appropriate planning for effective management of technology are dependent on head office and planning division of mining units. Planning involves taking of decisions by the management on the basis of assumptions of what is likely to happen in the future and also it is an intellectually demanding process as it requires the conscious determination of a course of action and taking decision based on purpose, knowledge and considered estimates. Planning is not the responsibility of the top management or staff of planning department only, all those who are responsible for the achievement of results have an obligation to plan into the future. However executive at a higher level, being responsible for a relatively larger unit of the coal industry, devote a larger part of their time to planning and the time span of their plans also tends to be longer than that of the manger at lower levels

2. Collins and Clark, (2003), "Small Firms and HRM: Exceptions that Prove the Rule?", **"Journal of Small Business and Enterprise Development"**, Volume - 1, Number - 2, Page No – 2 - 8.
3. Jaw and Liu, (2003), "Commonalities and contradictions in HRM and Performance research", **"Human Resource Management Journal"**, Volume - 15, Page No - 67–94
4. Barber F., & Strack, R., (2005), "The Surprising Economics of a People Business", **"Harvard Business Review"**, Volume - 83, Page No - 6

Conclusions

Despite of having modern feet of technology and machines the output of the company is not as per the estimated target also the planning and decision making procedure of CCL Management and their employees are not competitive according to the market and demand. These actual results can be related to following points

- Poor Information Processing
- Poor Planning and Its implementation
- Insufficient Skills
- Lack of Social and Institutional Infrastructure

There is a need of fast and efficient information processing system which should assimilate the International, National, internal and external information into the applicable and workable solutions as the departmental delays and human error leads to information blockage and due to this the entire operation is affected. Human Resource needed to be trained properly as the poor and insufficient skills results into low productivity, mismanagement and misguided decisions. The weakness of social and institutional infrastructure in terms of support, cooperation, operative effectiveness etc should be strengthen to provide the backbone support to the organization especially to the Washeries , Warehousing Section , Operations and Industrial Relations.

BIBLIOGRAPHY

1. Schuler & Jackson, (1987), "Integrating the individual and organization", **"Journal of Business Research"**, Volume - 51, Page No - 145-155

A Study On Retail Store Service Quality Dimensions At Reliance Retail Stores In Tirupathi Region, Andha Pradesh, India

Dr. K. LAVANYA LATHA*

ABSTRACT

The purpose of this paper is to develop an understanding of the factors influencing the evolution of modern formats in Indian retailing and to derive implications for managerial practice and policy. A total of 360 customers were surveyed who actually 'experienced' the service provided by the stores under study using a structured questionnaire. Respondents are examined to assess about the retail store service quality dimensions. Results from a study identified the most preferred dimensions of store location, ranking the store loyalty dimensions, the most preferred attribute, assessed the 'importance' assigned and 'actual quality' experienced among dimensions of exterior and interior atmospherics, store layout and merchandise suitability.

The main purpose of this study is to examine and assess the retail service quality dimensions namely, tangibles, reliability, responsiveness, assurance and empathy, only the customers of **Reliance** retail store have been chosen for collecting data. This study assesses the customer's satisfaction against customer service quality/ retail service quality dimensions. The study provides empirical evidence to measure customer's satisfaction, which is also subjective on the basis of actual service experienced against the five service quality dimensions which play an important role in retail services.

Keywords: retail, customers, tangibles, reliability, responsiveness, assurance, culture and dimensions

INTRODUCTION

Since global competition has become acute, there is an entry threat from multinational retails giants and there is a favourable climate for allowing foreign direct investment in retail sector too, which has become a necessity on the part of the retailers of India to reconsider their retails strategy whether they belong to organized or unorganized category. There are arguments in favour of and against allowing the foreign direct investment. Though, the government has taken no policy level decision to allow foreign direct investment, but there is a strong lobby/move in favour of allowing foreign direct investment. Till now, foreign direct investment has been allowed indirectly through franchising arrangements; however, a favourable climate exists in favour of foreign direct investment citing the success of China, Korea and other countries. Moreover, those who are in favour of foreign direct investment argue that it can be allowed in a spaced manner as that of China.

On the other hand, the changing profile of Indian customers who hither to docile, the changing pattern of life style, the changes in the way of living and standard of living, the demographic charges, the changes in the level of income, the changes in the expenditure pattern, the influence of foreign culture

etc warrants dramatic changes in the strategies being adopted by retail stores. Even, if there is no entry threat or flow of foreign direct investment, the foregoing reasons necessitate that unless retail stores whether organized or unorganized changes their strategies, their survival will be dismal in the long run. Further, the corporate houses has made a foray into retail sector besides others. Even such corporate houses have to evolve strategies, which would help them to earn a competitive edge among local as well as global competitors.

Though there is a threat from the global players, as of now, the retailers have to evolve strategies, which could help them internally to survive and succeed in today's retail business scenario. Because ,the current internal retail business scenario itself is fast changing as a result of changing profile of India customers as well as threat from internal players of repute. As a result, the organized retailers have to evolve strategies, which could ensure their success in the changing scenario.

In view of the changing retail scenario, the changing stratifies like store location, store exterior and interior atmospherics, merchandise and retail store service quality dimensions have become vital importance. However, among all, retail store service quality

*Assistant Professor, Department of Management Studies, School of Management, Pondicherry University, Puducherry, India



dimensions such as tangibles, responsiveness, reliability, assurance and empathy have vital bearing on the success of the store. Further, what differentiates a store from another is the 'customer service' i.e., service quality which ensures customer satisfaction.

In today's largely competitive market environment, retail stores are increasingly realizing the need to focus on service quality as a measure to improve their competitive position. It is the element of customer service that plays a vital role to earn competitive advantage. Good service or quality customer service includes politeness, responsiveness, promptness; caring and commitment towards the customer feel secure, special and satisfied. Tom peters once said "Listening to customers must become everyone's business. With most competitors moving ever faster, the race will go to those who listen (and respond) more intently". While this is true for all businesses, it has special relevance to retail. Such a customer services quality is also being reflected in the form of or dimensions such as Tangibles, Reliability, Responsiveness, Assurance and Empathy.

Further, the service quality is situation-specific and largely defined by the customer though often subjective but qualitative. Moreover, customer satisfaction is an elusive area. On the other hand, customer satisfaction is the sum total of the customer's expression of the service quality i.e. the degree to which the retailer conforms to the customer's quality specifications-includes five factors i.e. Tangibles, Reliability, Responsiveness, Assurance and Empathy. Hence, this study assesses the customer's satisfaction against customer service quality/ retail service quality dimensions such as Tangibles, Reliability, Responsiveness, Assurance and Empathy.

Retailing has been defined as business activities involved in selling goods and services to consumers for their personal, family or household use (Berman and Evans, 2001). Although retailing has been around for millennia, the 20th century witnessed a lot of change in the retail sector, especially in the developed countries. Modern formats such as department stores, discount stores, supermarkets, convenience stores, fast food outlets, speciality stores, warehouse retailers and hypermarkets have emerged. Retailing has become more organized and chain stores have been growing at the expense of independent shops. The chains are utilizing sophisticated information technology and communication to manage their operations and have grown rapidly not only within their home countries like US, UK, France, Germany and Holland but to other developed countries. Walmart Stores, the

US retailer, was recognized as the largest firm in terms of sales in 2002 in Fortune magazine's list of 500 largest global firms. Modern retail formats have also spread beyond developed countries and are becoming more important in the NICs and developing countries.

Modernization in Indian retailing

The emergence of new formats and the evolution of modern retail in India has attracted attention in recent years. The business press in India has carried several articles and news items in the last three years about the modern formats (Shukla 2001; Anand & Rajshekhar, 2001; Bhattacharjee, 2001). The consulting firm KSA Technopak has organized retail meetings or summits in major metros which have witnessed participation from major domestic and international retailers, and also from manufacturers. Venugopal (2001), has discussed the census studies of retail outlets that the market research firm ORG MARG conducted in the 1990's. This census provided data and estimates on a number of parameters relating to Indian retail such as number and type of outlets and growth of outlets over time separately for urban and rural areas. Due to these reports and activities, there is good deal of information available about what is happening in Indian retail. However Indian retailing has received sparse attention by way of academic research with the exception of a few articles in academic journals and some case studies.

The present study is needed in view of established view points, to find out how the retail stores, facing new wave of competition can differentiate. The purpose of this paper is to develop an understanding of the factors influencing the evolution of modern formats in Indian retailing and to derive implications for managerial practice and policy.

Objectives of the Study

To examine the most preferred dimensions of store location.

1. To examine and rank store loyalty dimensions
2. To examine the most preferred quality dimension within the retail service quality dimensions such as tangibles, responsiveness, assurance and empathy.
3. To examine and assess the "Importance" and "Actual quality" among dimensions of exterior and interior atmospherics.
4. To examine and assess the "importance" and "Actual quality" among dimensions of merchandise suitability.

Hypotheses of the Study

1. There is no significant difference between genders of the respondents with respect to overall opinion about retail service quality dimensions (such as tangibles, reliability, responsiveness, assurance and empathy).
2. There is no significant difference between occupations of the respondents with respect to overall opinion about retail service quality dimensions.
3. There is no significant difference between income groups of the respondents with respect to overall opinion about retail service quality dimensions.
4. There is no significant relationship between store loyalty and retail service quality.
5. There is no significant relationship between retail service quality and customer satisfaction.

Population

Since the number of retail stores which are in different formats cannot be estimated in and around Tirupathi region, this study takes into account only the **Reliance** retail stores, which are operating in Tirupathi, Andhra Pradesh, India. Since the main purpose of this study is to examine and assess the retail service quality dimensions namely, tangibles, reliability, responsiveness, assurance and empathy, only the customers of **Reliance** retail store have been chosen for collecting data.

Sample Size

The present study has been conducted at Tirupathi, Andhra Pradesh, India. In order to represent the cross-section of the population which is infinite, a representative sample of 360 is selected.

Sampling Method

To select a total sample of 360, the stratified sampled method has been selected which is a best-proven random sampling method.

Primary Data

This study is essentially based on the 'primary' data collected from 360 respondents who actually 'experienced' the service provided by the stores under study. Hence, this 'first hand information' provides the 'actual satisfaction' or atleast vital clues to assess about the retail store service quality dimensions, the primary focus of this study, in the stores under study.

Tools Used

Statistical Package for Social (SPSS) has been used to analyzed and interpret the data collected

via the tools such as one-way ANOVA, Tukey-HSD test followed by Friedman test, and Chi-square test. With the help of the tools mentioned, a critical analysis has been made which results in certain observations and interpretations regarding the dimensions of retail service quality.

Limitations of the Study

This study is limited to Tirupathi region only. This study, as usual is also subject to the sampling and non-sampling errors besides the other limitations such as time constrictions etc. however, the synthesis is established within the ambit of the chosen area of study and the materials obtained from the source.

Highlight of the Study

This study which suitably modified the 'SERVQUAL' scale to suit the requirements of retails stores by retaining the dimensions such as tangibles (four attributes), reliability (Seven attributes), responsiveness (Five attributes), assurance (five attributes) and empathy (nine attributes) with a total attributes of thirty in number.

Though the dimensions have been refined with attributes of thirty altogether, the research has only utilized 'SERVPERF' scale to measure the perceived/received service instead of expectations and perception evaluation in the case of 'SERVQUAL' scale. Consequently, a five-point scale (highly satisfied, neutral, dissatisfied, highly dissatisfied) to measure satisfaction has been used which reflects the actual service received (in terms of satisfaction) by the respondents. Hence, to be specific, this study makes and attempt to measure customer's satisfaction, which is also subjective on the basis of actual service experienced against the five service quality dimensions. In other words, the customer satisfaction is measured, in this study, by the direct application of five-point scale, namely, highly satisfied to highly dissatisfy.

Data Analysis

As part of statistical analysis and interpretations, a descriptive statistics on sample covering demographic/ personal variables, as well an inferential statistics on sample covering application of statistical tools have been made which elicits and highlights distinct information on retail service quality dimensions of the stores under study.

Descriptive Statistics on Sample

The retail store location strategy is an important element of retail strategy. A retail store should be located in a right place, which ensures better

image as well as success in the business. At the outset, this study focuses on the dimensions of

store location and the most preferred dimensions by customers of the stores as under.

Table-1: Ranking Based on Most Preferred Dimensions of Store Location

S. No	Dimensions of Store Location	Mean	Rank
1	Convenient Location of the store	4.68	1
2	Ease in identifying the store	4.35	3
3	Ease of reaching the store location	4.39	2
4	Close to my shopping area	4.10	8
5	Close to y house	4.13	7
6	Close to my work place	3.56	10
7	Waste of traffic flow	4.19	5
8	Ease of commutation	4.14	6
9	Travelling time	4.33	4
10	Ease in getting into the store	4.14	6
11	Ease in getting out of the store	4.06	9

From the above Table, it is inferred that the “Convenient location of the store” has been ranked 1st, “the ease of reaching the store location” as 2nd rank “the ease of traffic flow” as 3rd rank, “the travelling time” as 4th rank, “the each of commutation” ad the “ease of getting into the store” are both ranked as 6th, “the store is close to my house” as 7th rank, “the store is close to my shopping area” as 7th rank, “the

ease of getting out of the store” as 9th rank and “the store is close to my work place” as 10th rank.

Store visits may also be based on loyalty. Store loyalty is a favourable predisposition towards a particular store based on positive experiences a customer has had there. This is being reflected in the study as below.

Table-2: Ranking Based on Store Loyalty Dimensions

S. No	Store Loyalty	Mean	Rank
1	I like the store very much	4.21	1
2	I prefer this shop for my regular shopping	3.83	2
3	In the past one year, majority of my shopping trips have been to this store	3.77	3
4	I prefer to shop at this store even if another store advertisement some deal	3.66	4
5	I occasionally prefer this store for major shopping	3.51	5
6	I prefer this store for infrequent special shampooing	3.38	6

From the above table, it is inferred that “I like the store very much” has been ranked 1st, “I prefer this shop for my regular shopping” has been ranked 2nd. “In the past one year, majority of my shopping trips have been to this store” has been ranked 3rd “I Prefer to shop at this store even if another store advertises some deal” has been ranked 4th, “I occasionally prefer this store for major shopping”

has been ranked 5th and “I prefer this store for infrequent special shopping” has been ranked 6th.

There are five dimensions of service quality, i.e., tangibles, reliability, responsiveness, assurances and empathy that a customer uses to assess the quality of the service. The analysis hereunder indicates the most preferred attribute under each dimension of services quality.

Table-3a: Ranking Based On Most Preferred Dimensions of Retail Services Quality

S. No	Tangibles	Mean	Rank
1	Appearance of physical facilities/outlet	4.20	1
2	Appearance of personnel/issue associates(appropriately, smartly dressed)	3.81	3
3	Tools/equipment used to provide the service	3.78	4
4	Communication materials associated with the products displayed clearly. Easy to read informative and appealing	3.85	2

From the above table, it is evident that the respondents ranked “the appearance of physical facilities/outlets” as 1st rank, “the communication material associated with the products displayed clearly, easy to read, informative and appealing”

as 2nd rank, “the appearance of personnel/sales associates (appropriately, smartly dressed)” as 3rd rank and “the tools/equipments used to provide the service” as 4th rank.

Table-3b

S. No	Reliability	Mean	Rank
1	Consistency and dependability of store (personnel performance)	3.98	1
2	Performing services right the first time itself	3.69	5
3	Performing the services at the designated time	3.69	5
4	Efficient checkout operations	3.82	3
5	Accuracy in billing (safe payment and receipt)	3.97	2
6	Maintaining error –free records	3.72	4
7	Accurate and on time home delivery	3.56	6

From the above table, it is evident that the respondents ranked “Consistency and dependability of store (personnel performance)” as 1st rank, “accuracy in billing (safe payment and receipt)” as 2nd rank, “Efficient checkout operation” as 3rd, “Maintaining

error – free records” as 4th rank, “Performing the services at the designated time” and “Performing services right the first time itself” as 5th rank and “Accurate and on time home delivery” as 6th rank.

Table-3c

S. No	Responsiveness	Mean	Rank
1	Willingness and readiness to help Customers and provide prompt service	4.08	1
2	Quickly identifying and responding to customers who require help	3.91	2
3	(Readiness to act on customers’ request) Calling a customer back quickly after a query	3.58	3
4	Giving prompt, service (arranging an appointment)	3.51	5
5	Having an efficient help-line or customer service desk	3.54	4

From the above table, it is observed that “Willingness and readiness to help Customers and provide prompt service” has been ranked 1st, “Quickly identifying and responding to customers who require help (readiness to act on customers’ request)” as 2nd,

“Calling a customer back quickly after a query” as 3rd, “Having an efficient help-line or customer service desk” as 4th and “Giving prompt service (arranging an appointment)” as 5th rank.

Table-3d

S. No	Assurance	Mean	Rank
1	Well trained sales staff, with relevant knowledge and skill to perform their tasks	3.92	1
2	Sales staff are customer concerned, interested in helping customers, friendly, and respectful	3.87	2
3	Sales staff make customers feel safe in their transactions	3.84	3
4	Sales staff are consistently courteous (meet me friendly)	3.72	5
5	Presence of security staff, secure payment method, return policy and after sales guarantees	3.77	4

From the above table, it is evident that the customers have ranked “Well trained sales staff, with relevant knowledge and skill to perform their tasks” as 1st rank “Sales staff are customer concerned, interested in helping customers, friendly and respectful” as 2nd

rank, “Sales staff make customer feel safe in their transactions” as 3rd rank-“Presence of security staff, secure payment method, return policy and after sales guarantees” as 4th rank and “Sales staff are consistently courteous (greet me friendly)” as 5th rank.

Table-3e

S. No	Empathy	Mean	Rank
1	Convenient location and opening hours/business hours	4.20	1
2	Waiting time to receive service/merchandise	3.77	2
3	Provision of information about products and offers	3.77	2
4	Explanation of payment methods	3.61	5
5	Sales staff deal with customers in a caring way	3.72	3
6	Sales staff has customer best interest at heart	3.60	6
7	Sales staff provide individualized attention / customized service	3.72	3
8	Sales staff recognize (the value of) regular customers	3.66	4
9	Provision for better complaint procedures	3.53	7

From the above Table, it is evident that the customers have ranked “Convenient location and opening hours/ business hours” as 1st “waiting time to receive service /merchandise” and “Provision of information about products and offers” as 2nd, “Sales staff recognize (the value of) regular customers” as 4th “explanations of payment methods” as 5th rank, “Sales staff have customers’ best interest at heart” as 6th rank and “Provision for better complaint procedures” as 7th rank

Shopping today is a sensory experience. The retail stores need to appeal to the senses of sight, touch sound and smell. The exterior and interior atmospherics need to catch the customers’ eye and draw their attention away from the other stores. It is a very strong tool by which a better image can be created in the minds of customers. Hence, this study focuses on the “importance” assigned as well ‘actual quality’ experienced by the customers of the store.

Table-4: Ranking Based On Dimensions of “Importance” and “Actual Quality” of Exterior Atmospherics

S.No	Exterior Atmospherics	Importance		Actual quality	
		Mean	Rank	Mean	Quality
1	Architectural Style	4.09	2	3.82	1
2	Store Front	4.05	3	3.63	6
3	Building Appearance	4.01	4	3.64	5
4	Entry/Exit points	4.09	2	3.76	2
5	Window Display	3.92	6	3.72	4
6	Outdoor Visibility	4.01	3	3.74	3
7	Parking Facility	4.29	1	3.57	8
8	Accessibility	3.99	5	3.62	7

From the above Table, it is inferred that a comparison has been made between the “importance” assigned

to each dimension and “the actual quality” of each dimension ad felt /experienced by the respondents.

Table-5: Ranking Based On Dimensions of “Importance” And “Actual Quality” of Interior Atmospherics

S.No	Interior Atmospherics	Importance		Actual quality	
		Mean	Rank	Mean	Quality
1	Flooring	4.23	2	3.99	1
2	Lighting	4.35	1	3.94	2
3	A/C comfort/Temperature	3.90	6	6.54	5
4	Trial Room	3.68	9	3.16	10
5	Children play/rest are	3.39	10	2.94	11
6	Store cleanliness	4.23	2	3.74	3
7	Music/Fragrance	3.81	7	3.38	9
8	Drinking Water Points	4.11	5	3.62	8
9	Dustbins	4.16	3	3.64	4
10	Toilets	4.14	4	3.52	6
11	Cafeteria	3.74	8	3.45	7

From the above Table, it is inferred that a comparison has been made between the “importance” assigned to each dimension and “the actual quality” of each dimension as felt/enjoyed by the respondents.

The range of merchandise is perhaps the most important reason for customers to patronize a particular outlet/store. The retention of customers

over a period of times is largely dependent on the quality and the range of merchandise offered by the store. If the merchandise is similar to that of another store or what is commonly available, the customer may not see any reason for switching stores. This study highlights merchandise suitability i.e., “importance” assigned and the “actual quality” as felt/experienced by the customers.

Table-6: Ranking Based on Dimensions of “Importance” And “Actual Quality” Of Merchandise

S.No	Merchandise suitability	Importance		Actual quality	
		Mean	Rank	Mean	Quality
1	Quality of goods	4.74	1	4.06	1
2	No of different items available	4.38	2	3.96	2
3	No of brands stocked	4.25	3	3.91	3
4	Availability of preferred brand	4.19	4	3.76	4
5	Availability of other related brands	4.11	7	3.60	8
6	Breathe of assortment/terms	4.12	6	3.76	4
7	Ease of product selection	4.11	7	3.70	5
8	Demonstration of products /durables	3.89	10	3.47	10
9	Satisfaction with returns/adjustments	3.99	8	3.57	9
10	Value for money/generally low price	4.14	5	3.76	4
11	Gift wrapping	3.93	9	3.62	7
12	Home delivery	4.12	6	3.66	6

From the above Table, it can be inferred that a comparison has been made between the “importance” assigned to each dimension and “the actual quality” of each dimension as felt/experienced by the respondents.

Occupation and Retail Store Service Quality Dimension

Null Hypothesis—There is no significant difference between the occupations of the respondents with respect to overall Opinion about the dimensions of service quality.

Table-7: Occupation and Retail Store Service Quality Dimension

Service Quality Dimension	F -value	P -value	Occupation				
			Student	Employed	Professional	Business	Homemaker
Tangibles	1.017	0.398	3.84	3.91	3.89	3.95	4.05
Reliability	1.260	0.285	3.71	3.73	3.79	3.90	3.85
Responsiveness	0.468	0.758	3.67	3.72	3.75	3.72	3.83
Assurance	2.780	0.026	3.68	3.82ab	3.92ab	3.84ab	3.98ab
Empathy	2.555	0.038	3.62	3.70	3.86	3.75	3.87
Overall Retail Service Quality	1.947	0.102	3.69	3.76	3.84	3.82	3.90

Since the P- value is less than 0.05, the null hypothesis is rejected at 5% level of significance with respect to Assurance and Empathy dimensions. But for other dimensions, there is no significant difference between the occupations since the P- value is greater than 0.05 based on Tukey –HSD test, the Respondents with occupation home –maker/retired significantly differ with the respondent under student category.

It is inferred that the respondents under “Student” category slightly differ (implies comparatively a lesser Satisfaction) in their opinion from the other categories in respect of dimensions like “Tangibles” “Responsiveness” and “overall retail service quality”. Hence, necessary strategy has to be evolved to improve these dimensions.

Income Group and Retail Store Service Quality Dimensions

Null Hypothesis - There is no significant difference between income groups of the respondents with

respect to overall opinion about the dimensions of service quality.

Table-8: ANOVA for significant difference between income groups of the respondents with respect to overall opinion about the dimensions of service quality.

Service Quality Dimensions	F-value	P-value	Income group				
			<=5000	5001-10000	10001-15000	15001-20000	>20000
Tangibles	1.781	0.132	3.78	3.96	3.84	3.99	4.00
Reliability	1.356	0.248	3.75	3.83	3.68	3.85	3.83
Responsiveness	0.250	0.909	3.75	3.76	3.69	3.76	3.69
Assurance	2.530	0.040	3.60	3.91	3.85	3.86	3.80
Empathy	4.653	0.001	3.50	3.82	3.65	3.82	3.87
Overall Retail Service Quality	2.178	0.071	3.65	3.84	3.72	3.85	3.84

Since the P-value is less than 0.01 the null hypothesis is rejected at 1% level of significance with respect to Empathy dimension. But for other dimensions, there is no significant difference between income groups since the P-value is greater than 0.05.

Based on Tukey-HSD test, the respondents under the income group between 5001 and 10000 significantly differ with the income group <=5000 with regard to assurance.

Based on Tukey-HSD test, the respondents under the income group between 5001 and 10000, 15001 and 20000 and greater than 20000 significantly differ with the other income group below 5000 with regard to empathy.

It is inferred that though the P-value is greater than 0.014 in respect of 'Tangibles', the income group below Rs. 5000 slightly differ (implies comparatively

a lesser satisfaction) with other income groups in respect of 'Tangibles'. This is also true in respect of 'Reliability' dimension in which the income group Rs. 10001 – RS. 15000 slightly differ with the other income groups. It is also true in the case of 'Responsiveness' dimensions in which income group Rs. 10001-RS. 15000 and greater than Rs. 20000 differ in their opinion. It is also true in the case of 'Overall retail service quality' dimension of which the income group below Rs. 5000 with other income group. Hence, the retail stores have to improve these dimensions to satisfy the income groups who slightly differ in their opinion.

Store Loyalty and Retail Store Service Quality Dimensions

Null hypothesis – there is no significant relationship between store Loyalty and retail Service Quality.

Table-9: Chi square test for significant relationship between store Loyalty and Retail Service Quality.

Store Loyalty	Retail Service Quality			Total	Chi square value	P-value
	Low	Average	High			
Low	38(14.5)	10(27.4)	10(16.1)	58	116.496	0.000**
Average	42(47.0)	118(88.8)	28(52.2)	188		
High	10(28.5)	42(53.8)	62(31.7)	114		
Total	90	170	100	360		

Note: The value within bracket refers to expected frequency.

Since the P-value is less than 0.01, the null hypothesis is rejected at 1% level of significance. Hence there is significant relationship between Store Loyalty and Retail Service Quality.

It is inferred that only 62 respondents are of opinion that 'Store loyalty' as well as 'retail service quality' is high. It reflects their 'Store loyalty' in consequence of 'Retail service quality'. However, 118 respondents

are of opinion that their store loyalty is 'average' only as a result of 'average' retail service quality. Hence, the stores have to modify their strategies in respect of retail service quality to increase the number of loyal customers.

Retail Store Service Quality and Customers' Satisfaction

Null hypothesis – There is no significant relationship between Retail Service Quality and Customers' Satisfaction.

Table-10: Chi-square test for significant relationship between Retail Service Quality and Customers' Satisfaction.

Store Loyalty	Customers' Satisfaction			Total	Chi square value	P-value
	Low	Average	High			
Low	502(21.5)	38(46.5)	2(22.0)	90	105.024	0.000**
Average	28(40.6)	106(87.8)	32(41.6)	170		
High	8(23.9)	42(51.7)	50(24.4)	100		
Total	86	186	88	360		

Since the P-value is less than 0.01, the null hypothesis is rejected at 1% level of significance. Hence there is significant relationship between Retail Service Quality and Customers' Satisfaction.

It is inferred that only 50 respondents are of the opinion that the 'Retail service quality' as well their 'Satisfaction' is 'high'. However, 106 respondents are of the opinion that the 'Retail Service quality' as well as their 'satisfaction' is 'average' only. Hence, it has become necessary on the part of the stores to evolve strategies to improve their retail service quality and there by improved customers' satisfaction.

Findings of the Study

The study has identified the most preferred dimensions of store location as a) convenient location of the store b) ease in identifying the store and etc in that order

The study has ranked the store loyalty dimensions in the following order a) I like the store very much b) I prefer this shop for m regular shopping c) in the pat one year, majority of my shopping trips have been to this stove and etc.

The study has highlighted the most preferred attribute within each dimension like 'appearance of physical facilities/ outlets' (out of four attributes of tangibles), 'consistency and dependability of the store-personal performance' (out of seven attributes of reliability), 'willingness and readiness to help customers and provide prompt service' (out of five attributes of

responsiveness), 'well trained sales staff, with relevant knowledge and skills to perform their tasks, (out of five attributes of assurance) and 'convenient location and opening hours/business hours' (out of nine attributes of empathy).

The study has assessed the 'importance' assigned and 'actual quality' experienced among dimensions of exterior and interior atmospherics, store layout and merchandise suitability.

The study has identified that higher number of respondents felt that the 'Retail service quality' is 'average' only and their 'store loyalty' as well.

The study has also revealed that higher number of respondents is of the opinion that the level of 'Retail service quality' is 'average' only and consequently their 'satisfaction' too.

The study has further revealed that the attributes under each quality dimension have to be improved by these stores to ensure customers' satisfaction and the rest.

Conclusion

This study, after an in-depth analysis of a variety of store dimensions and service quality dimensions reveals that all these dimensions have to be improved to earn a competitive edge and service in the retail business in view of the changing and emerging retails scenario, in India, with the possible advent of the MNC's in the retail Indian market scenario.

REFERENCES

1. Berman, B. and Evans, J.R. (2001). *Retail Management*, (8th ed) , Upper Saddle River, N.J., Prentice Hall
2. Shukla, S. (2001). Can India's largest retailer bounce back?, *Business Today*, December 8, pp. 41-48
3. Anand, M. and Rajshekhar, M. (2001). The Retail Puzzle, *Business World*, 29 October, pp. 38-42.
4. Bhattacharjee, P. (2001). Retail's new Godzilla" *Business World*, 28 May, 44-46
5. Venugopal, P. (2001). *Marketing Channel Management: A Customer Centric Approach*. New Delhi: Response Books.



Role Stress among the Teachers of Technical Education: A Study of Poorvanchal Region

Durga Wati Kushwaha*

Dr. R.K. Lodhwal**

ABSTRACT

The aim of this study is to explore various dimensions of role stress (which is also one of the dimensions of occupational stress) experienced by the educators of technical education (here if we say technical education it simply refers to the courses such as engineering, management & other allied fields). The sample comprised of 80 respondents who were associated with such kind of institutes & were selected according to the convenience of the researcher. Out of these only 72 were considered for the study as rests were unfit for evaluation. For the purpose of study structured questionnaire developed by Udai Pareek was considered which include 10 different dimensions of role stress. Statistical tests including mean, t-test, independent sample t-test & Anova were applied to fulfill the various objectives of the study. The findings suggest that there is a difference between different role stressors based on gender & age.

Keywords: Stress, Teacher's stress, Role stress, Role overload, Role isolation, Role erosion

INTRODUCTION

Stress is multi-dimensional in nature and can be defined from different perspectives based on language and organization. In terms of language, it is derived from the Latin word "stringere" which refers to draw tight, to describe hardships and/or affliction (Cartwright & Cooper, 1997). It often occurs when individuals' physical and emotional capacities do not match or they cannot handle their job demands, constraints and/or opportunities (Leka et al., 2004; Ugoji, 2003; Ugoji & Isele, 2009). It has been established that stress can be of two major types: eustress (good stress) and distress (bad stress) (Fevre et al., 2003; Sullivan & Bhagat, 1992).

Optimum level of stress is necessary for performing well in job, but when it exceeds a certain limit it can result in burnout and similar other consequences; it can also affect work performance adversely. Stress is an unavoidable consequence of socioeconomic complexity and, to some extent its stimulant as well. Cooper (1983) has listed several sources of work stress including job conditions, role stress, interpersonal factors, career development, organizational structure and home-work interface.

Studies related to the teaching profession have indicated that teaching is one of the most stressful of all occupations, following air traffic controllers and surgeons (Truch, 1980). Cox & Brockley (1984) made a comparison of teachers with non-teachers and found that 67 per cent of the teachers reported that their work itself was the main source of occupational stress for them, as opposed to 35 per cent of the non-teachers.

Kyriacou and Sutcliffe (1978) in a study on teachers in the UK found that 25 percent of the respondents found their job to be "very stressful" and "extremely stressful".

Many multidisciplinary studies also focused on different dimensions of occupational role stress such as interpersonal relationships, role ambiguity, role conflict, workload, and lack of resources, students' attitudes towards work and job autonomy (Fletcher and Payne, 1982; Blase, 1982;)

Role stress is an outcome of disparity between an individual's perception of the characteristics of a specific role and what is actually being achieved by the individual currently by performing this role (Lambert & Lambert, 2001). Thus, role stress occurs when there is incongruence between perceived role expectations and achievement. This paper is an attempt made by the researcher to investigate the stressors from the perspective of Pareek (2002) which include different dimensions /aspect as discussed below:

- (a) **Inter-Role Distance (IRD):** It signifies the conflict that exists between organizational roles and others.
- (b) **Self-Role Distance (SRD):** This represents the conflict of one's values and self concept with the role requirements within the organization.
- (c) **Role Isolation (RI):** Role Isolation is an indicator of the extent of alienation of one's role from the other organizational roles.
- (d) **Role Ambiguity (RA):** It represents the paucity

*Research Scholar, Faculty of Management Studies, Banaras Hindu University, Varanasi Ph.: 9451044226, 9807487394

** Associate Professor, Faculty of Management Studies, Banaras Hindu University, Varanasi, Ph.: 9415455462

of clarity of what others expect from a role, for the lack of sufficient feedback on performance.

- (e) **Role Expectation Conflict (REC):** It signifies the conflicting demands on role-incumbent by others.
- (f) **Personal Inadequacy (PI):** It represents the feeling of being ill-equipped for the demands of a particular role.
- (g) **Resource Inadequacy (RIA):** It represents the stress emanating from not having enough resources (available knowledge, financial and personnel resources etc). to effectively perform in a role
- (h) **Role Stagnation (RS):** This indicates the lack of opportunities for growth or progress.
- (i) **Role Erosion(RE):** It constitutes the feeling that the job is no longer challenging or that parts that should have remained within a particular role have been given to others
- (j) **Role Overload (RO):** It represents being 'heaped-up' with more than what one can actually accomplish.

Stress & Gender:

There is continuous debate regarding the role that gender plays in relation to occupational stress. Results from studies have been inconsistent and thus the issue of gender continues to be of interest. Gender has not consistently been shown to be a significant variable and research has shown few differences between males and females (Decker & Borgen, 1993; Elman & Dowd, 1997; Osipow & Davis, 1988; Osipow et al., 1985). Fogarty et al. (1999) also did not find gender to be significantly correlated with stress, strain, or coping

Marini et al. (1995) found that males scored significantly higher than females on Physical Environment, Role Boundary, and Role Insufficiency while women only scored higher on Role Overload. These results indicate that males may experience occupational stress differently than females. Niles and Anderson (1993) found that males and females scores on the OSI differed substantially indicating that gender have an impact on how stress is experienced. They reported that "female clients reported average scores for occupational stress, strain, and coping; men reported higher stress and strain scores and lower coping scores" (Niles & Anderson, 1993).

Richard & Krieshok (1989) also found gender differences, however they found that women in higher

occupational ranks experience more strain than men when they controlled for age, stress, and coping.

Stress & Age

Reddy and Ramamurthy (1991) considered 200 executives for analyzing relationship between age & stress experienced by a person. The results indicated that executives in the age group of 41-50 experienced more stress than the age group of 51-60.

Aminabhavi and Triveni (2000) in their study found that age, sex, coping strategies of bank employees have not influenced their occupational stress.

Anitha Devi (2007) studied a sample of 180 women professionals from 6 different occupations for identifying the degree of life stress and role stress experienced by professional women. The results indicated that, the older person experience lower life stress and role stress. Younger people experience more stress as compared to older people.

Purpose and Objective

The purpose of study was to examine the various kinds of role stressors among the teachers / Educators of technical (Engineering & Management) institutes located in areas near by Varanasi district & in Varanasi. These Stressors are similar to those which were identified by Pareek .In order to understand about this following research objectives were formulated.

1. To determine the extent of various role stressors experienced by the educators/ teachers.
2. To rank the various stressors based on there contribution towards total stress experienced.
3. To establish relationships between these stressors and only two of the demographic characteristics (Age & gender).
4. To find out the difference in these stressors based on the above said demographic parameters, if any.

Research Methodology:

3.1 Instrument and Measurement

The study is descriptive in nature based on primary data collected through survey. The survey instrument used was standard questionnaire developed by Udai Pareek which measures 10 different dimensions of occupational role stress viz. Inter-Role Distance (IRD), Self-Role Distance (SRD), Role Isolation (RI), Role Ambiguity (RA), Role Expectation Conflict (REC), Personal Inadequacy (PI), Resource Inadequacy



(RIA), Role Stagnation (RS), Role Erosion(RE), Role Overload (RO). The questionnaire constructed was on five point scale ranging from Zero (0) rarely feel this way to Four (4) frequently feel this way. Personal demographic information was also collected in this survey.

Population and Sampling

Sampling or the selection of respondents was based

on the convenience of the researcher since the respondents who came for a program were surveyed. The questionnaire was distributed randomly to the teachers thus simple random technique was used. Total in all 80 questionnaires were distributed of which 72 were fit for study. The response rate in this study was 90%.

Data Analysis & Interpretation:

Demographic Profile of the Respondents:

Demographic variables	Group	N	Percentage (%)
Age	<= 30	20	27.8
	31 - 35	8	11.1
	36 - 40	20	27.8
	41 - 45	16	22.2
	46 - 50	4	5.6
	51 - 55	4	5.6
Gender	Male	48	66.7
	Female	24	33.3

Of all the respondents considered for the study 66.7% were male & remaining 33.3% were female. The majority of the respondents (n=20) were falling

in the age group of below 30 & 36-40 ,followed by age group of 41-50 which constituted 22.2% of the respondents.

Role Stressors & Ranking:

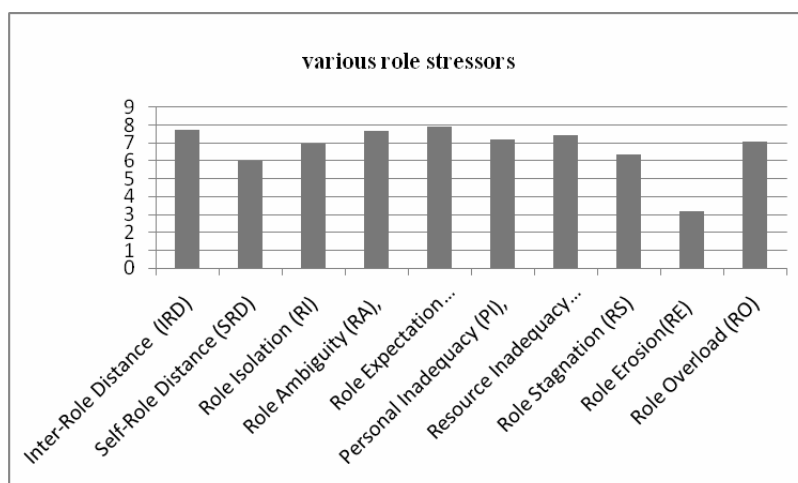
Table 1: Various Role stressors for the educators

Role Stress Dimension	Mean Value	Ranking
Inter-Role Distance (IRD)	7.72	2
Self-Role Distance (SRD)	6.00	9
Role Isolation (RI)	6.94	7
Role Ambiguity (RA),	7.67	3
Role Expectation Conflict (REC)	7.89	1
Personal Inadequacy (PI),	7.17	5
Resource Inadequacy (RIA)	7.44	4
Role Stagnation (RS)	6.39	8
Role Erosion(RE)	3.17	10
Role Overload (RO)	7.06	6
Total stress	67.44	

The above table represents various role stressors as previously identified by various researchers that are experienced by the educators of technical institute. Out off the ten role stressor the major contribution towards the stress experienced by any individual is due to role expectation conflict followed by Inter role distance which is the second major contributor. Of all the stressors role erosion is having the least contribution towards the total stress experienced. So one can say that in order to minimise one's

stress level the person should try to reduce the role expectation conflict (i.e. conflicting demands of different role) & inter role distance (i.e. the organisational role & other roles).Followed by these two stress other ones are Role ambiguity & resource inadequacy. These two stressors are totally out of control of individual's scope & are to be reduced by the organisations. So organisations should take appropriate steps to reduce the role ambiguity & resource inadequacy.

Figure 1: Mean value of various role Stressors



Relationship between Role stressors & Demographic Variables:

Table-2: Correlation between Gender & Age with various role stressors

Dependent Variable (Role stressors)	Gender	Age
Inter-Role Distance (IRD)	.581**	-.058
Self-Role Distance (SRD)	.237*	-.287*
Role Isolation (RI)	.000	.305**
Role Ambiguity (RA),	-.103	.091
Role Expectation Conflict (REC)	-.217	.033
Personal Inadequacy (PI),	-.147	-.125
Resource Inadequacy (RIA)	-.302*	.002
Role Stagnation (RS)	.390**	-.428**
Role Erosion(RE)	-.243*	.067
Role Overload (RO)	.421**	-.341**

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

* . Correlation is significant at the 0.05 level (2-tailed).

Above table shows a correlation between two demographic variables (Gender & age) with different role stressors under study. Of all the ten dimensions gender is significantly & positively related to role dimensions viz.IRD, SRD, RS & RO and negatively correlated to dimension such as Resource Inadequacy & Role erosion. On the other hand age is associated with role isolation in positive & significant manner. However, the dimensions such as SRD, RS, and RO are associated significantly with age but in a negative manner. Moreover no relationship exists between role isolation & gender of the respondents.

Differences in various role stressors based on Gender:

In order to find out the differences between various role stressors based on gender Independent sample t-test was applied. The results indicated that the t value with respect to role stressors such as Inter role Distance (IRD), Role stagnation (RS), Role Expectation (RE), Role Overload (RO), Self Role Distance (SRD), Role Inadequacy (RIA) are significant. Hence *null hypothesis in respect to these stressors is not accepted* .However; the other stressors such as Role expectation conflict (REC), Role isolation (RI), Personal Inadequacy (PI) &Role ambiguity (RA) are insignificant. Hence *null hypothesis in respect to these stressors is accepted*.



Independent Samples Test						
		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
Ird	Equal variances assumed	15.064	.000	-5.977	70	.000
	Equal variances not assumed			-4.952	29.889	.000
Rs	Equal variances assumed	2.153	.147	-3.548	70	.001
	Equal variances not assumed			-3.867	57.903	.000
Rec	Equal variances assumed	1.481	.228	-.932	70	.354
	Equal variances not assumed			-.866	38.246	.392
RE	Equal variances assumed	17.109	.000	2.093	70	.040
	Equal variances not assumed			2.481	68.397	.016
RO	Equal variances assumed	.364	.548	-3.886	70	.000
	Equal variances not assumed			-3.907	46.762	.000
RI	Equal variances assumed	.420	.519	.000	70	1.000
	Equal variances not assumed			.000	48.624	1.000
PI	Equal variances assumed	3.097	.083	1.240	70	.219
	Equal variances not assumed			1.382	61.122	.172
SRD	Equal variances assumed	1.717	.194	-2.038	70	.045
	Equal variances not assumed			-1.923	39.690	.062
RA	Equal variances assumed	1.785	.186	.865	70	.390
	Equal variances not assumed			.927	55.460	.358
RIA	Equal variances assumed	1.241	.269	2.646	70	.010
	Equal variances not assumed			2.554	42.047	.014

Differences in various role stressors based on Age:

In order to find the differences between various role stressors & age group of the respondents ANOVA (analysis of variance) was applied. The results of

ANOVA indicated that there is a significant difference between & within the groups for all the role stressors based on the age of the respondents. Hence *the null hypothesis is not accepted.*

Further the post hoc test was conducted in order find out the most significant group variation.

Table-4: ANOVA table for differences between various role stressors & age

		Sum of Squares	df	Mean Square	F	Sig.
Ird	Between Groups	313.444	5	62.689	10.018	.000
	Within Groups	413.000	66	6.258		
	Total	726.444	71			
Rs	Between Groups	270.200	5	54.040	9.245	.000
	Within Groups	385.800	66	5.845		
	Total	656.000	71			
Rec	Between Groups	134.778	5	26.956	5.757	.000
	Within Groups	309.000	66	4.682		
	Total	443.778	71			

RE	Between Groups	314.800	5	62.960	8.034	.000
	Within Groups	517.200	66	7.836		
	Total	832.000	71			
RO	Between Groups	681.111	5	136.222	12.807	.000
	Within Groups	702.000	66	10.636		
	Total	1383.111	71			
RI	Between Groups	241.800	5	48.360	8.484	.000
	Within Groups	376.200	66	5.700		
	Total	618.000	71			
PI	Between Groups	296.578	5	59.316	11.892	.000
	Within Groups	329.200	66	4.988		
	Total	625.778	71			
SRD	Between Groups	449.311	5	89.862	9.888	.000
	Within Groups	599.800	66	9.088		
	Total	1049.111	71			
RA	Between Groups	70.600	5	14.120	3.032	.016
	Within Groups	307.400	66	4.658		
	Total	378.000	71			
RIN	Between Groups	423.178	5	84.636	16.400	.000
	Within Groups	340.600	66	5.161		
	Total	763.778	71			

Findings & Conclusions:

1. Of all the role stress dimensions considered under study the major contributor towards the total stress was role expectation conflict (REC) followed by Inter role distance (IRD). The least contributing factor is Role Erosion (RE).
2. Gender is significantly & positively associated with stressors like Inter role distance (IRD), Self role distance (SRD), Role stagnation (RS) & role overload (RO), and negatively with role inadequacy (RIA), Role erosion (RE). However no relationship exists between role isolation & gender.
3. Age is significantly & positively associated with only one of the role stressor viz. Role isolation however it is negatively associated with stressors such as Self role distance (SRD), Role stagnation (RS). Expect all the above mentioned stressors no significant relationship exists between age & role stress dimensions.
4. On the basis of Gender there is a significant difference between & within the group for the stressors like, Inter role Distance (IRD), Role stagnation (RS), Role Expectation (RE), Role Overload (RO), Self Role Distance (SRD), Role Inadequacy (RIA) and no significant difference between & within the group for the stressors such as Role expectation conflict (REC), Role isolation (RI), Personal Inadequacy (PI) & Role ambiguity (RA).
5. Coming to the Differences between the stressors based on age, there is significant difference between & within the group for all the stressors except Role ambiguity.

REFERENCES:

1. Aminabhavi, V.A. and Triveni, S., 2000, Variables causing occupational stress on the nationalized and non-nationalized bank employees. *J. Com. Gui. Res.*, **17**(1): 20- 29.
2. Anitha Devi, S., 2007, Occupational stress: A comparative study of women indifferent occupations. *Prajnan*, **35**(1):61-74.
3. Blase, J.J. (1982), "A Social-psychological grounded theory of teacher stress and burnout", *Educational Administration Quarterly*, Vol. 18, pp. 93-113.



4. Cartwright, S., & Cooper, C.L. (1997). *Managing workplace stress*. Thousand Oaks, California: Sage Publications.
5. Cooper, C.L. (1983), Identifying Stressors at Work: Recent Research Developments, *Journal of Psychosomatic Research*, 27: 369-376.
6. Cox, T. and Brockley, T., "The experience and effects of stress on teachers", *British Educational Research Journal*, Vol. 10, 1984, pp. 83-7.
7. Decker, P. J., & Borgen, F. H. (1993). Dimensions of work appraisal: Stress, strain, coping, job satisfaction, and negative affectivity. *Journal of Counseling Psychology*, 40 (4), 470- 478
8. Eiman, B. D., & Dowd, E. T. (1997). Correlates of burnout in inpatient substance abuse treatment therapists. *Journal of Addictions & Offender Counseling*, 17 (2), 56-65.
9. Fevre, M.L., Matheny, J., & Kolt, G. S. (2003). Eustress, distress and interpretation in occupational stress. *Journal of Managerial Psychology*, 18(7), 726-744.
10. Fletcher, B.C. and Payne, R.L. (1982), "Levels of reported stressors and strains amongst School teachers, some UK data", *Educational Review*, Vol. 34, pp. 267-78.
11. Fogarty, G. J., Machin, A., Albion, M. J., Sutherland, L. F., Lalor, G. I., & Revitt, S. (1999). Predicting occupational strain and job satisfaction: The role of stress, coping, personality, and affectivity variables. *Journal of Vocational Behavior*, 54 (3), 429-452.
12. Kyriacou, C. and Sutcliffe, J. (1978), "Teacher stress: prevalence, sources and symptoms", *British Journal of Educational Psychology*, Vol. 48, pp. 159-67.
13. Lambert V, Lambert C. Literature review of role stress/ strain on nurses: An international perspective. *Nurs .Health Sci.* 2001; 3: 161-172.
14. Leka, S., Griffiths, A., & Cox, T. (2004). *Work organization and stress*. Nottingham: UK. World Health Organization.
15. Marini, I., Todd, J., & Slate, J. R. (1995). Occupational stress among mental health employees. *Journal of Rehabilitation Administration*, 19 (2), 123-130.
16. Nilas, S. G., & Anderson, W. P. (1993). Career development and adjustment: The relation between concerns and stress. *Journal of Employment Counseling*, 30 (2), 79-87.
17. Osipow, S. H., & Davis, A. S. (1988). The relationship of coping resources to occupational stress and strain. *Journal of Vocational Behavior*, 32, 1-15.
18. Osipow, S. H., Doty, R. E., & Spokane, A. R. (1985). Occupational stress, strain, and coping across the life span. *Journal of Vocational Behavior*, 27, 98-108.
19. Reddy, V.S. and Ramamurthy, P.V., 1991, The relation between stress experience on the job age, personality and general ability. *Psy. Stu.*, 36(2): 87-95.
20. Richard, G. V., & Krieschok, T. S. (1989). Occupational stress, strain, and coping in university faculty. *Journal of Vocational Behavior*, 34 (1), 117-132.
21. Sullivan, S. E. & Bhagat, R. S. (1992). Organizational stress, job satisfaction and job performance: where do we go from here? *Journal of Management*, 18c (2), 353-74.
22. Truch, S., *Teacher Burnout*, Academic Therapy Press Publications, Novato, CA, 1980
23. Ugoji, E.I. (2003). Managing administrative stress in educational institutions: (A study of selected Nigerian universities). *Journal of Niger delta Research (JONDR)*, 5(1), 90-99.
24. Ugoji, E.I., & Isele, G. (2009). Stress management & corporate governance in Nigerian organizations. *European Journal of Scientific Research*, 27(3), 472-478.

A Study of Sales Promotion Mix on Customer Satisfaction With Reference to Shopping Malls in Indore

Satnam Kour Ubeja*

D.D. Bedia**

ABSTRACT

The retailing sector in India has undergone significant transformation in the past 10 years. The organized retail industry in India is to grow 25-30 per cent annually and would triple or four times in size by 2014. Retailing is gradually inching its way towards becoming the next boom industry. The customer satisfaction process is a complex phenomenon. The purchase of goods or services includes a number of factors that could affect each decision. Customer satisfaction is more complex and even more important for retailers today than in past. The objectives of this study were to investigate the effects of sales promotion mix on customer satisfaction in shopping malls of Indore city and to study the variations in these factors across different demographic variables. Mall intercept survey was conducted to study of sales promotion mix on customer satisfaction in shopping malls of Indore city. The sample included 175 active mall shoppers. The sales promotion mix on customer satisfaction were identified by a structure questionnaire and captured in 5 factors of sales promotion mix. These sales promotion mix factors were Lucky and Bumper offers, Frequent and Warranty Offers, Monetary and Quantity Benefit Offers, Gift and Exchange offers and Discount offers. The study will help the managers of shopping malls to understand the underlying sales promotion factors on customer satisfaction of the shoppers in the malls and help them to craft their marketing strategies. Profiling customers by their choice of sales promotion mix provide more meaningful ways to identify and understand various customer segment and to target each segment with more focused marketing strategies.

Keywords: customer satisfaction, sales promotion mix, shopping malls, organized retailing

INTRODUCTION

Promotion is the process of marketing communication to inform, persuade, remind and influence consumers or users in favor of product or service. Promotion has three specific purposes. It communicates marketing information to consumers, users and resellers. Promotion persuades and convinces the buyer and influences his/her behavior to take the desired action. In this process the promotional mix includes four ingredients: 1) Advertising; 2) Publicity; 3) Personal Selling; 4) Sales Promotion. The term Promotion – Mix is used to refer to the combination of different kinds of promotional tools used by a firm to advertise and sell its products. It is one of the four aspects of promotional mix. Sales promotions are specific efforts that are designed to have an immediate impact on sales. Sales promotion refers to many kinds of incentives and techniques directed towards consumers and traders with the intention to produce immediate or short term sales effects. Examples of devices used in sales promotion include coupons, samples, premiums, point-of-

purchase (POP) displays, contests, rebates, and sweepstakes etc.

A shopping center, shopping mall, or shopping plaza, is the modern adaptation of the historical marketplace. The mall is a collection of independent retail stores, services, and a parking area, which is conceived, constructed, and maintained by a separate management firm as a unit. The everyday definition of retail and organized retailing can be described as the act of selling of goods and merchandise from a fixed location. An important aspect of the current economic scenario in India is the emergence of organized retail. There has been considerable growth in organized retailing business in recent years and it is poised for much faster growth in the future. Major industrial houses have entered this area and have announced very ambitious future expansion plans.

Customer satisfaction, a term frequently used in marketing, is a measure of how products and services supplied by a company meet or surpass customer expectation. Organizations need to retain

*Asst. Professor, Prestige Institute of Management and Research, Indore

**Reader, Pt. Jawahar Lal Institute of Business Management, Vikram University, Ujjain



existing customers while targeting non-customers. Measuring customer satisfaction provides an indication of how successful the organization is at providing products and/or services to the marketplace. Customer satisfaction is measured at the individual level, but it is almost always reported at an aggregate level. It can be, and often is, measured along various dimensions. The usual measures of customer satisfaction involve a survey with a set of statements using a Likert Technique or scale. The customer is asked to evaluate each statement and in term of their perception and expectation of performance of the organization being measured. Their satisfaction is generally measured on a five-point scale.

RIVEW OF LITERATURE

There is substantial volume of empirical work conducted in the field of sales promotion mix, customer satisfaction and shopping malls. Sales promotion is a mega business in today's competitive world for shopping malls. Sales promotion on customer satisfaction is prepared with tremendous amount of research and effort to remain in the subconscious mind for long.

Anselmsson Johan (2006), this paper was developed and validates a conceptualization of shopping mall satisfaction based on field studies in Sweden. They had observed that Customer satisfaction with a shopping centre may be viewed as an individual's emotional reaction to personal evaluation of the total set of experiences encountered at the shopping centre. Also, customer interactions with shopping centre establishments involve a variety of different activities. Researcher had taken 8 factors to find out the customer satisfaction. Furthermore, this study had also investigated whether sources of satisfaction differ in importance with respect to gender and age, generally two important variables for retail segmentation. The result was focused on number of characteristics of shopping malls in comparison of customer satisfaction. Researcher had found that Selection was the most important factor of customer satisfaction.

Bromley Rosemary D. F. & Matthews David L (2007), this paper was researched specially for those wheelchair customers who were unable to discuss earlier about their shopping experience in various shopping malls and super market. So, this paper was again a searching of customer satisfaction but in separate segment or demographic area.

B. Kamaladevi (2010), Survival of fittest & fastest is the mantra of today's business game. To compete successfully in this business era, the retailer must

focus on the customer's buying experience. To manage a customer's experience, retailers should understand what "customer experience" actually means. Finally; in conclusion there are some fundamental points: Customer Experience Management is not simply an old idea in a new wrapper. The result was that there are now more services and products available than at any time in the past, yet customer satisfaction are on a downward slide.

Goff C. Brent, Boles S. James, Bellenger N. Danny & Stojack Carrie (1997), The main objective of this paper was to examine of one non product related construct on consumer satisfaction with a major retail purchase. In the present research, researcher have assumed that the customer satisfaction and their product evaluation not only depend on product performance but the also on the interaction with the sales person's and their efforts, they have also focus on that salesperson is now the basic need of retail sector for getting the customer satisfaction. Finally; they have concluded that, if a firm is to be successful, it must understand what customers expect from sales personnel in their market, and make sure that their employees meet or, better yet, exceed those expectations.

Goyal B.B. & Aggarwal Meghna (2009), Ghosh Piyali, Tripathi Vibhuti & Kumar Anil (2010) Ha Hong-Youl and Muthaly Siva (2008), Joseph J., KR Cronin, Brady K. JR Michael & Hult M. G. Tomas (2000) and many more researchers have done work on sales promotion mix, shopping malls and customer satisfaction. With the help of these researches we have found some factors of sales promotion mix, which we have used in our research to find out the effects of sales promotion mix on customer satisfaction in Indore city.

Research Methodology

Period of the Study

- Period of the study was from Aug 2012.
- Study comprised of different shopping malls of all six areas.
- Six districts of Madhya Pradesh were taken for the study purpose. These were, Indore, Dewas, Ujjain, Jabalpur, Gwalior and Bhopal.
- Different customers of various shopping malls have been taken as a field.

Objectives of the Study

- To examine the combined effect of sales promotion schemes on customer satisfaction with reference to shopping malls in FMCG sector.

- To assess the effects of sales promotion schemes on customer satisfaction with reference to various demographic variables.

Data Sources

To design the structured questionnaire the 18 items of customer satisfaction are taken from extensive study of sales literature viz. journals of marketing, international journals of marketing, various business review and marketing management magazines etc.

The primary data are collected from 175 customers of different shopping malls, spreading across Indore city and having above 20 yrs age and already have purchased FMCG products from any shopping malls with experienced of any type of sales promotion factors.

Definition of Variables

After an extensive study of sales literature following sales promotion factors are considered for this study: Buy one Get One Offers, Discounts/ Cash Discount, Free Gifts, Sampling, Bonus/ Extra, Refunds/ Cash Back, Coupons, Exchange offers, Stock Clearing Sale, Lucky Draw, Scratch Cards, Anniversary Schemes/ Festival Schemes, Annual Rating Points on Permanent Cards, Contests, Catalogue, Product Warranties, Weekly/Monthly offers and Spots / Movements offers

Apart from these 18 factors, five categorical variables are also used to know the effects of all 18 sales promotion factors on the customer satisfaction. The five Categories have selected for the study are as –Age, Sex, Education, Occupation and Income

Hypothesis

To know the effects of eighteen sales promotional factors on customer satisfaction, the following null and alternative hypothesis have framed:

- **Null Hypothesis $H_0(1)$:** There is no significant impact or difference in mean satisfaction level of customers because of various sales promotional factors according to various demographic variables.
- **Alternative Hypothesis $H_0(1)$:** There is significant impact or difference in mean satisfaction level of customers because of various sales promotional factors according to various demographic variables.

Sample and Design

The design of the present study is descriptive as well as empirical in nature. The main purpose of

the study is to find the impact of sales promotion mix on customer satisfaction in shopping malls in Indore city. The sample size is 175 customers. The sample comprised of the respondent above 20 years age & having experienced of shopping from shopping malls and also sales promotion mix.

The independent variables comprises of education, age, sex, occupation, income and location. The entire universal has been divided as:

- **Age:** The age group were 20-30, 30-40, 40-50 & 50 and above. This was kept so as to cover maximum percentage of universe, grouping in class interval helped in easy tabulation.
- **Education:** It contained to choices –UG, PG & Others.
- **Occupation:** It contained the choices of – Service, Business, Student and House wife.
- **Sex:** It contained the choices of- Male & Female.
- **Income:** It contained the choices of- 1-2 Lacks, 2-3 Lacks, 3-4 Lacks and 4 Lacks and above.

Data Collection

The questionnaire is split into three sections. First section deals the demographic factors, Second section related to 18 sales promotion factors. The questionnaire had given five point scales rating Highly Dissatisfied to Highly Satisfied and comparative weights one to five, where five is the highest rank. The data collected from customer of different shopping malls later classified on the basis of age, education, sex, income, Location and occupation.

Tools for Analysis

In the application of statistical tool, care has been taken and draw a real picture without any manipulation. Factor analysis and ANOVA test applied to minimize the factors to find their effectiveness & variances. The statistical package like SPSS (version 17) used, MS – Excel also used for analysis. The levels of significance were tested of five percent level.

Factor Analysis

The normal varimax solution is not obtained directly from a correlation matrix. It is obtained by rotating other types of factor solutions to the varimax form. In the present study it was considered desirable to use the highest factor loading criterion to select customer satisfaction included in sales promotion mix and all group of factors. This criterion was uniformly used in the factor analyses carried out on the total sample of the study.

ANOVA Test

The generated factors which have got with factor analysis by using SPSS software (17.1) version, with the help of these factors we have applied ANOVA test by using SPSS software(17.1) to measure the variance among different variables. Tukey Karner

multiple comparison has been used to get the mean difference and analyzing the results. It has been applied on 5% level of significance, to test the variance between different demographic variables on sales promotion mix and over all customer satisfaction in shopping malls.

Table-1: ANOVA Test Formula

Source of variation	Sum of Squares	Degree of Freedom	Mean Squares	Computed of value of F	Table value of F
Between samples	SSB	c-1	MSB= SSB/c-1	F=MSB/MSW	
Within samples	SSW	n-c	MSW=SSW/n-c		
Total		n-1			

Table-2: ANOVA test measurement with computed value to table value

Case	Interpretation
(a) If the computed value of P is less than α	The difference in the variance is significant and it could not have arisen due to fluctuations of random sampling and hence reject H0
(b) If the computed value of P is greater than α	The difference in the variance is not significant and it could not have arisen due to fluctuations of random sampling and hence accept H0

Limitations

There are several limitations that warrant future research. The study has been conducted in Indore city of Madhya Pradesh, India. The result of the same, if conducted in other part of the country may vary. It is because a country like India has geographically, economically, socially and culturally very different in terms of areas. This difference is too significant to be ignored. Good and bad mood of customers or respondents that was experienced during study that would have influenced their responses. Normally all customers were seemed in hurry because of their busy schedule so questionnaire also would have influenced their response.

Results are based on calculation and this calculation was based on data those I have collected, because of different mood and circumstance of the respondents have also influenced the result in calculative way; but, some results which I had felt during collection of data that customers are attracted to the sales promotion mix and shopping malls, whether they are purchasing the products or not because of many reasons like- budget or family pressure etc., those results; I am unable to calculate and define

in numerical terms. City atmosphere have also influenced the respondent's response; because of restricted social atmosphere respondents were felt uncomfortable to contact with unknown person and give the response of any type of questionnaire; so that this reason have also influenced the results. The sample consisted of 175 active mall shoppers. The small sample size is also error-prone.

Data Analysis and Result Discussion

Factor analysis was adopted to capture the sales promotion mix on customer satisfaction in shopping malls. Table 2 summaries the results of the factor analysis which was run using the Principal Component Approach with a varimax rotation.

Bartlett's test of sphericity and Kaiser-Olkin (KMO) measure are adopted to determine the appropriateness of data set for factor analysis. High value (between 0.5 to 1) of KMO indicates that the factor analysis is appropriate, low value below the 0.5 implies that factor analysis may not be appropriate. In this study, the result of Bartlett's test of sphericity (0.00) and KMO (0.863) indicates that the data are appropriate for factor analysis.

Table-3 Demographic profile of the sample

Variables		Frequency	%
Sex	Male	104	59.4
	Female	71	40.6
Age	20-30 Yrs	87	49.7
	30-40 yrs	53	30.3
	40-50 yrs	29	16.6
	Above 50 yrs	6	3.4
Education	UG	53	30.3
	PG	109	62.3
	Others	13	7.4
Occupation	Service	81	46.3
	Business	44	25.1
	Student	32	18.3
	Housewife	18	10.3
Income	Student	49	24.1
	1-2 Lacks P.A.	45	22.2
	2-3 Lacks P.A.	35	17.2
	3-4 Lacks P.A.	22	10.8
	Above 4 Lacks	24	11.8

In the present study total 175 respondents participated in the survey. Selected demographic characteristics of the sample including age, sex, income occupation and education presented in table no. 3. The sample consists of 59.4% of male and 40.6% of female respondents. Respondents were mostly between the

age of 20-40 years (71.0%), 62.3% of the respondents were PG, almost 91.2% of the respondents had at least under graduate degree., 46.3 % respondents were related to service class families, near 51% respondents reported that their family income was more than 2 Lacks P.A.

Table-4 Result of Factor Analysis

Factors Label and Items	Rotated Factor Loadings	Reliability Coefficient (Cronbach Alpha)
Factor 1: Lucky and Bumper offers Contests Scratch Card Lucky Draw Annual Rating point on permanent card Anniversary/Festival Schemes	.666 .780 .680 .705 .665	.804
Factor 2: Frequent and Warranty Offers Weekly/Monthly offers Spot/ Movement Offers Product Warranties	.858 .747 .636	.769
Factor 3 : Monetary and Quantity Benefit Offers Refunds/Cash Back Bonus/Extra Free Gift Sampling	.821 .708 .574 .550	.811
Factor 4: Gift and Exchange offers Buy one Get one free Stock clearing Sale Exchange offers	.606 .820 .590	.863
Factor 5: Discount Offers Discount /Cash Discount	.690	



All the five factors together accounted for 70.2% percent of the total variance.

Bartlett's test of sphericity = 0.00

Kaiser–Meyer–Olkin KMO= 0.863

In this study, factor analysis was carried out in two stages. In stage one; known as the factor extraction process, objective was to identify how many factors to be extracted from the data. Using principal component analysis, 18 items were extracted by five factors. Only the factors having latent roots or eigen value greater than 1 were considered

significant; all factors having eigen value less than 1 were considered insignificant and were discarded. All the five factors together accounted 70.2% of the total variance.

In the second stage, all the factors were interpreted and labeled. Items having factor loading more than 0.5 were included in the interpretation. More detailed descriptions of the factors are presented in the next section.

Impact of Demographic Factors on Customer Satisfaction with respect to Sales Promotion Mix

Table-5 Effects of Various Demographic Factors on Customer Satisfaction With Respect to Sales Promotion Mix

	Age		Sex		Education		Occupation		income	
	F	Sig	F	Sig	F	Sig	F	Sig	F	Sig
Factor 1: Lucky and Bumper offers	.819	.485	.088	.767	2.480	.087	5.843	.001*	5.670	.000*
Factor 2: Frequent and Warranty Offers	1.476	.223	.513	.475	1.778	.172	3.504	.017*	3.154	.016*
Factor 3: Monetary and Quantity Benefit Offers	.526	.665	.010	.920	1.713	.183	3.941	.009*	3.747	.006*
Factor 4: Gift and Exchange offers	.284	.837	1.456	.229	5.514	.005*	1.860	.138	2.754	.030*
Factor 5: Discount Offers	1.480	.222	9.553	.002*	5.498	.005*	4.326	.006*	3.516	.009*

As discussed above, five sales promotion mix have been extracted with the help of factor analysis and ANOVA was used to study the variation in the sales promotion mix on customer satisfaction across demographic variables. The five factors are summarized here.

Factor 1: Lucky and Bumper offers

The factor measures the luck based schemes and festival offers from different sales promotion mix on customer satisfaction of Indore city's customers in our sample. Customers who score high on this factor are very luck conscious. They are very conscious to try their luck and get best benefits for the products they buy. They always check and compare the lucky and bumper offers before purchasing the products in the shopping malls. They even go to more than one store to get best bumper offer for the product they buy. Table 4 indicates that; the highest loading (0.780) item in this factor is "Scratch Card".

Table 5 revealed that the significance values of F for sex, age, education are greater then 0.05. So they do not have significant impact on lucky and bumper offers. Only occupation and income have impact on lucky and bumper offers. In our sample, in Indore city students (mean=16.3) are more conscious in lucky offers than service, business class and housewives. Students (mean=16.2) those who are depended on their parents, have used luck by chance offers more than, any other working customers of any income group in Indore city.

Factor 2: Frequent and Warranty Offers

This Factor reflects the frequent offers dimensions of customer satisfaction with respect to sales promotion mix of Indore city in our sample. Indore customers consider spot movement offers and warranties of the product while purchasing the products in shopping malls. It is very important for them to take best. Customers who score high on this factor perceive

the new offers every week and they are willing to make special efforts to choose products with the very best weekly offers. Table 4 indicates that the highest loading (0.858) item in this factor is “Weekly/Monthly Offers”

Table 5 indicates the effects of various demographic variables on customer satisfaction according to Indore city. This indicates that the significant value of F for age sex and education are greater than 0.05. So, Indore city's customers do not have significant impact on frequent and warranty offers with respect to these demographic variables. Occupation and income have impact on frequent and warranty offers in Indore city. In our sample in Indore city students (mean = 11.4) are more conscious in frequent offers than housewives, service and business class customers, who comparatively less use this type of offers. Students (mean = 11.2) those, who are depended on their parents have used frequent and warranty offers more than upper middle class customer 3-4 lacks P.A.(mean = 10.5) and the customers, of other income group are less conscious about these type of offers in Indore city.

Factor 3: Monetary and Quantity Benefit Offers

This factor measures the monetary and quantity benefit offers which gives customer satisfaction to Indore's customers in our sample. Customers who score high on this factor are conscious of quantity and cash and do not want to take risk, they just want something extra or refund facility for getting satisfaction. They always appreciate and use such type of offers which give extra or cash back facility. Even for getting this type of customer satisfaction they go to more then one store, to get better cash back or monetary or quantity offers. Table 4 indicates that; the highest loading (.821) item in this factor is “Refunds/Cash Back”.

Table 5 indicates the effects of various demographic variables on customer satisfaction in accordance to Indore city. This indicates that the significance value of F for age sex, education and occupation are greater than 0.05. So, Indore city's customers do not have significant impact on monetary and quantity benefit offers with respect to these demographic variables. Only income has impact on monetary and quantity benefit offers in Indore city. In our sample in Indore city students (mean=7.6), those who are depended on their parents are more conscious to take monetary or quantity benefits in shopping malls than any other income group.

Factor 4: Gift and Exchange offers

This factor measures the Gift and Exchange offers, which gives customer satisfaction to Indore's customers in our sample. Customers who score high on this factor are very conscious of gift and exchange offers and they can even change their brands or shopping malls for getting gift or exchange offers, they just want gifts or exchange on same product for getting satisfaction. They always appreciate and use such types of offers which give gifts. Even for getting this type of customer satisfaction they go to more then one store, to get better gifts and exchange offers. Table 4 indicates that; the highest loading (.820) item in this factor is “Stock Clearing Sale”.

Table 5 indicates the effects of various demographic variables on customer satisfaction according to Indore city. This indicates that the significant value of F for age, sex and occupation are greater than 0.05. So, Indore city's customers do not have significant impact on Gift and exchange offers with PG (mean =11.8) and customers those who are depended on their parents i.e. students (mean =11.6) are more conscious or want these types of offers than to any other education and income group for getting satisfaction in shopping malls in Indore city.

Factor 5: Discount Offers

The customer satisfaction with respect to sales promotion mix identified by this factor is that Indore's customers always driven by discount product. Table 4 indicates that; the highest loading (0.606) item in this factor is “Discount offers”.

Table 5 revealed that the significance values of F for only age is greater than 0.05. So they do not have significant impact on discount offers. Sex, education, occupation and income have significant impact on discount offers, in which female customers those are UG and students and dependent to their parents have more effect on customer satisfaction by discount offers in Indore city.

Conclusion

The objectives of this study were to investigate the customer satisfaction with respect to sales promotion mix in shopping malls and to study variations in the customer satisfaction with respect to sales promotion mix across different demographic variables.

Following the study of Anselmsson Johan (2006), Bromley Rosemary D. F. & Matthews David L (2007), Goff C. Brent, Boles S. James, Bellenger



N. Danny & Stojack Carrie (1997), Sproles and kendall (1986), an attempt was made to profile the customer satisfaction in shopping malls. They all have identified many factors related to sales promotion mix ; from which we have selected 18 factors of sales promotion mix and tried to measure the customer satisfaction in shopping malls. With the help of factor analysis we have found five new factors are lucky and bumper, frequent and warranty monetary and quantity benefit, gift and exchange, and finally discount offers.

In addition, this study shows that the average customer of Indore city in our sample was not very sale promotion conscious, but students are quite conscious about any type of sales promotion mix factors. It is found that; students, those are dependent to their parents and whose age is between 20-30yrs, UG students are more conscious about sales promotion in shopping malls for getting customer satisfaction. Shopping is funny activity for them. Young customers are most recreational in their shopping.

REFERENCES

Books

1. Chunawalla, S.A, Sethia, K.C. (2008). Foundation of Advertising theory & practice. Himalya publication House Delhi, 7th revised edition, 45-55&75-95.
2. Chhabra, T.N., Grover, S.K. (2005). Marketing Management. Dhanpat Rai & Co. Pvt. Ltd., Third revised edition, 15-20.
3. Krisnawamy, K.N., Shivkumar, A. & Mathirajan M. (2006). Management Research Methodology. Pearson Education, 20-25.
4. Kotler, Philip, Keller, Kevin Koshy, Abraham (2008-09). Jh Mithileshwar Marketing Management: a south Asia prospective. Pearson Education Delhi, 13th edition, 25-30 & 45-50.
5. Kotler, Philips, Gray, Armstrong (2008). Principle of Marketing. Pearson Education 12th edition Delhi, 450-460.
6. Kotler, Philips (2008). Marketing Management. Pearson Education Eastern economy Delhi, 13th edition, 56-62.
7. Kothari, C.R, (1997). Research methodology. Second edition New Age International Publisher, Jaipur, 15-25, 55-60 &76-80.
8. M, Guiltinan (1996). Marketing Management: Strategies and Programs. Mc GrawHill/Irwin, 15-23.
9. Nair, R. Suja (2008). Consumer Behavior. Himalaya Publication House Delhi, 12-18.
10. Newman, J. Andrew & Cullen, Peter (2002). Retailing Environment & Operations. 45-48.
11. Shrivastava, K.K., Khandai, Sujata (2002). Consumer Behavior in Indian Context. Mcgraw Hill Delhi, 15-20.

Journals

1. Anselmsson, Johan (2006). Sources of Customer Satisfaction with Shopping Malls: A Comparative Study of Different Customer Segments. *Int. Rev. of Retail, Distribution and Consumer Research*, Vol. 16, No. 1, 115 – 138.
2. Eskildsen, Jacob & Kristensen, Kai (2008). Customer satisfaction and customer loyalty as predictors of future business potential. *Total Quality Management & Business Excellence*, Jul/Aug, Vol. 19 Issue 7/8, 11p, 1 Diagram, 3 Charts, 2 Graphs, ISSN No. 1478-3363, 843-853.
3. Ellickson, Paul B. & Misra, Sanjog (2008). Supermarket Pricing Strategies. *Marketing Science* Vol. 27, No. 5, September–October, ISSN 0732-2399, 811–828.
4. Goff, C. Brent, Boles S. James, Bellenger N. Danny & Stojack, Carrie (1997). The Influence of Salesperson Selling Behaviors on Customer Satisfaction with Products. *Journal of Retailing*, Volume 73(2), ISSN No. 022-4359, 171-183.
5. Goyal, B. B. & Aggarwal, Meghna (2009). Organized Retailing in India- An Empirical Study of Appropriate Formats and Expected Trends. *Global Journal of Business Research*, Volume 3, No. 2.
6. Ghosh, Piyali, Tripathi, Vibhuti & Kumar, Anil (2010). Customer expectations of store attributes: A study of organized retail outlets in India. *Journal of Retail & Leisure Property*, Vol. 9, 1, 75–87, Macmillan Publishers Ltd. 1479–1110.
7. Hekman, David R., Aquino, Karl, Owens, Bradley P., Mitchell, Terence R., Schilpzend, Pauline, Leavitt, Keith (2010). An examination whether and how racial and gender biases influence customer satisfaction. *Academy of Management Journal*, Apr, Vol. 53 Issue 2, 27p, 3 Diagrams, 6 Charts ISSN No. 0001-4273, 238-264,
8. Hong, Youl Ha & Muthaly, Sivahe (2008). Effects of Advertising Spending on Satisfaction: A Comparison Study of Bank and Supermarket Industries. *Journal of Current Issues & Research in Advertising*, Fall, Vol. 30 Issue 2, 11p, 1 Diagram, 4 Charts, ISN No.1064-1734, 87-97.

9. Hiu, A, Siu N, Wang C. & Chang, L. (2001). An Investigation of Decision-Making Styles of Consumers in China. *The Journal of Consumer Affairs*, Vol. 35(2), 326-345.
10. Kamaladevi, B. (2010). Customer Experience Management in Retailing. *Business Intelligence Journal* - January, Vol.3 No.1.
11. Patel, V. (2008). Consumer Decision Making Styles in Shopping Malls: An Empirical Study. *New Age Marketing: Emerging Realities*, Excel Books, New Delhi, 627-637.
12. Sproles, George B. and Kendall, Elizabeth L. (1986). A Methodology for Profiling Consumers' Decision-Making Styles. *The Journal of Consumer Affairs*, Vol. 20(2), 267-279.

Website

1. Available at:- <http://www.ebscohost.com/> (Access date:10 Jan 2011)
2. Available http://www.indianmba.com/Occasional_Papers/OP95/op95.html (Access date June 15, 2009).
3. Available at: - <http://www.scribd.com/.../Project-Report-on-Buying-Behavior-of-Consumers-Towards-Indigenous-Products> (Access date June 16, 2009).
4. Available at:-<http://www.eurojournals.com/ejsr.htm>(Access date June 16, 2009).
5. Available at: - <http://www.indiamba.com/>(Access date July 15, 2009).



Social Media Marketing And its Role in Enhancing a Brand's Equity

K. VENKATESWARA RAJU*

DR. D.PRASANNA KUMAR**

ABSTRACT

Social media marketing refers to the process of gaining traffic or attention through social media sites. For instance, Twitter is a social site designed to let people share short messages or "updates" with others. Face book, in contrast is a full-blown social networking site that allows for sharing updates, photos, joining events and a variety of other activities. Social Media had become one of the best opportunities for a brand to connect with prospective consumers. Social media networks have become a place where millions of people socialize. These networks win the trust of several consumers of various brands by connecting them at deeper intrinsic levels. Social media marketing has become the new mantra for several brands since a couple of years. Marketers began to take note of social media marketing opportunities and began implementing new social initiatives. Sophisticated Social media marketing had taken the way brands reach consumers to a new level. Social media marketing programs usually center on efforts to create content that attracts attention and encourages readers to share it with their social networks. A corporate message spreads from user to user and presumably resonates because it appears to come from a trusted, third-party source, as opposed to the brand or company itself. Hence, this form of marketing is driven by word-of-mouth, meaning it results in earned media rather than paid media. Social media has become a platform that is easily accessible to anyone with internet access. Increased communication for organizations fosters brand awareness and often, improved customer service. Additionally, social media serves as a relatively inexpensive platform for organizations to implement marketing campaigns. This research paper gives us a peek into Social Media Marketing and whether advertising through social media is effective and accepted by the people and also their level of acceptance. This was done with a survey through a questionnaire. The survey found that social media advertisement is accepted and is effective.

Key Words: Social Media, Advertising, Acceptance, Significance.

INTRODUCTION

Social networking is not something new. As this social networking guide will explain, social networks have been around for far longer than we have been on the web. We've all belonged to social networks, and we still participate in social networks. High school is an excellent example of basic social networking in action. There are various cliques like the geeks, the socials, the athletes, the band, etc. These cliques are social groups, and a person can be a member of one of them, a member of several, or a member of none. Social networking on the web is not much different. At first, you will find yourself without friends, but as you participate, your friends list will grow. And, like life, the more you participate, the more you will get out of it. Social networks are built around the friends' concept. They aren't always called "friends." LinkedIn, a business-oriented social network, calls them "connections." But, they operate in much the same way regardless of what they are called. Social networking websites allow you to find friends in various ways. There are often search features that allow you to search for friends who are interested in the same hobbies, of a certain

age group, or live in a certain region of the world. You can also find friends through groups. Social media differentiates itself from traditional media in many aspects like quality, reach, usability, frequency, immediacy and permanence. According to Nielsen, internet users continue to spend more time with social media sites than any other type of site. At the same time, the total time spent on social media in the U.S. across PC and mobile devices increased by 37 percent to 121 billion minutes in July 2012 compared to 88 billion minutes in July 2011

Much Criticism about social media is about its exclusiveness as most of these sites do not allow the free transfer of information from one to the other, disparities in information available, issues related to trustworthiness and also reliability of the information presented, ownership of the media content, and the different perceptions about interactions created by social media. However, social media has positive effects too like democratization of the internet while allowing individuals to advertise about themselves and forming friendships

Most people associate social media with positive outcomes, yet it may not always be the case.

*Research Scholar, K L U Business School, Guntur, Andhra Pradesh, India.

**Associate Professor, K L U Business School, Guntur, Andhra Pradesh, India.

There are dangers associated with social networking including data theft and viruses, which are on the rise. The most prevalent danger though often involves online predators or individuals who claim to be someone that they are not. Although danger does exist with networking online, it also exists in the real world, too. Just like you're advised when meeting strangers at clubs and bars, school, or work you are also advised to proceed with caution online. Social Networks decrease in face-to-face interactions. Social media may expose children to images of alcohol, tobacco, and sexual behaviors.

Geocities, created in 1994, was one of the first social media sites. The concept was for users to create their own websites, characterized by one of six "cities" that were known for certain characteristics.

CLASSIFICATION OF SOCIAL MEDIA

While Face book, Twitter and LinkedIn might be the first sites that come to mind when thinking of social networking, these popular websites do not represent the full scope of social networks that exist. There are various options available for people to interact and collaborate with each other online. There are Seven Major Social Network Categories.

1. SOCIAL CONNECTIONS

Keeping in touch with friends and family members is one of the greatest benefits of social networking. Here is a list of the most widely-used websites for building social connections online.

Face book: Arguably the most popular social media utility, Face book provides a way for users to build connections and share information with people and organizations they choose to interact with online.

Twitter: Share your thoughts and keep up with others via this real-time information network.

Google +: This relatively new entrant to the social connection marketplace is designed to allow users to build circles of contacts that they are able to interact with and that is integrated with other Google products

MySpace: Though it initially began as a general social media site, MySpace has evolved to focus on social entertainment, providing a venue for social connections related to movies, music games and more.

2. MULTIMEDIA SHARING

Social networking makes it easy to share video and photography content online. Here are some of the most popular sites for multimedia sharing.

YouTube: Social media platform that allows users to share and view video content

Flickr: This site provides a powerful option for managing digital photographs online, as well as for sharing them with others.

Picasa: Similar to Flickr, Picasa provides a way to organize and share photos. It is a Google product and so offers integrated tagging and sharing with Google+.

3. PROFESSIONAL

Professional social networks are designed to provide opportunities for career-related growth. Some of these types of networks provide a general forum for professionals to connect, while others are focused on specific occupations or interests. A few examples of professional social networks are listed below.

LinkedIn: As of November of 2011, LinkedIn had more than 135 million members, making it the largest online professional network. Participants have an opportunity to build relationships by making connections and joining relevant groups.

Classroom 2.0: Social network specifically designed to help teachers connect, share and help each other with profession-specific matters.

Nurse Connect: Online community designed to help individuals in the nursing profession connect and communicate with each other.

4. INFORMATIONAL

Informational communities are made up of people seeking answers to everyday problems. For example, when you are thinking about starting a home improvement project or want to learn how to go green at home, you may perform a web search and discover countless blogs, websites, and forums filled with people who are looking for the same kind of information. A few examples include:

Super Green Me: Online community where individuals interested in adopting green living practices can interact

Do-It-Yourself Community: Social media resource to allow do-it-yourself enthusiasts to interact with each other.

5. EDUCATIONAL

Educational networks are where many students go in order to collaborate with other students on academic projects, to conduct research for school, or to interact with professors and teachers via blogs and classroom forums. Educational social

networks are becoming extremely popular within the educational system today. Some examples of such educational social networks are listed below.

The Student Room: UK-based student community featuring a moderated message board and useful resources related to school

The Math Forum: A large educational network designed to connect students with an interest in math, this site provides interaction opportunities for students by age group.

ePALS School Blog: This international social network for K-12 students is designed to build international connections to promote world peace.

6. HOBBIES

One of the most popular reasons many people use the Internet is to conduct research on their favorite projects or topics of interest related to personal hobbies. When people find a website based on their favorite hobby, they discover a whole community of people from around the world who share the same

passion for those interests. This is what lies at the heart of what makes social networks work, and this is why social networks that are focused on hobbies are some of the most popular. A few examples of hobby-focused social networking sites include:

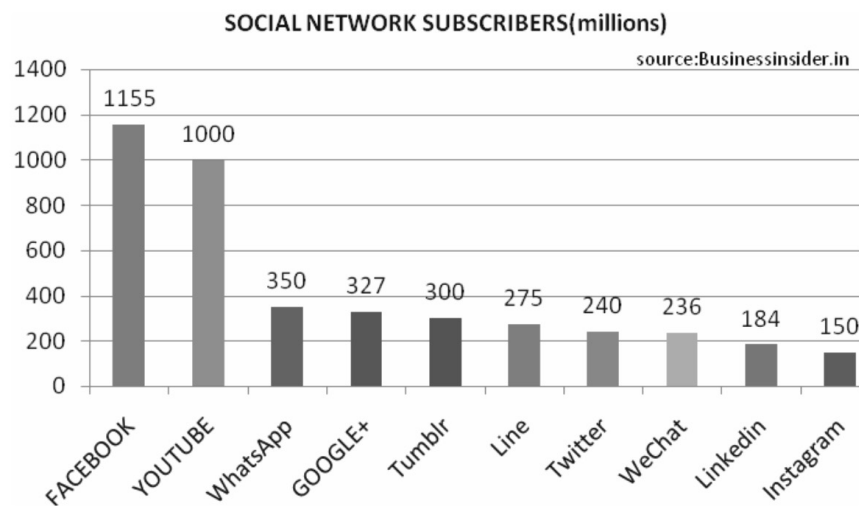
My Place at Scrapbook.com: Designed specifically for scrapbooking enthusiasts, users can create profiles, share information, post updates and more.

Sport Shouting: An online destination for sports fans to voice their opinions and connect with other enthusiasts.

7. ACADEMIC

Academic researchers who want to share their research and review results achieved by colleagues may find academic-specific social networking to be quite valuable. An example of online communities for academics is:

Academia.edu: Users of this academic social network can share their own research, as well as follow research submitted by others.



There are a vast number of social media sites that could be used for advertising; however for this study we used different social media like Face Book, YouTube, Twitter, BlogSpot and Google+.

FUNDAMENTALS OF SOCIAL MEDIA MARKETING

Leveraging the power of content and social media marketing can help elevate the customer base dramatically. Understanding social media marketing fundamentals will help build a foundation that will serve customers, the brand and also improve the company's bottom line.

1. LISTENING

Succeeding in social media and content marketing will need more of listening and less of talking. We shall read target audience's online content and join their discussions to learn what's important to them. Only then we can create content and spark conversations that add value rather than clutter to their lives.

2. FOCUS

A highly-focused social media and content marketing strategy with an intention to build a strong brand has more chances for success than broad strategies that attempt to do all things to all people.

3. QUALITY

Quality trumps quantity. It will be better to have 10,000 online connections who read, share and talk about your content with their own audiences than 10,00,000 connections who disappear after connecting with you the first time.

4. PATIENCE

Success in Social media and content marketing doesn't come overnight. In order to achieve big it's more likely that you need to commit to the long haul to achieve results.

5. COMPOUNDING

If we publish amazing, quality content and build online audience of quality followers, they'll share it with their friends on Face book, Twitter, LinkedIn, their own blogs and more. This sharing and discussing of content opens entry points for search engines like Google to find it in keyword searches. Those entry points could grow to hundreds or thousands of more potential ways for people to find you online.

6. INFLUENCE

Spend time to find online influencers who have quality audiences likely to be interested in the company's products, services and business. Connect and build relationships with them. If you succeed to get on their radar as an authoritative, interesting source of useful information, they might share your content with their friends, which could put your business in front of a huge new audience.

7. VALUE

Do not spend all your time on the social Web promoting your products and services as people will stop listening. Add value to the conversation. You should focus less on conversions and more on creating amazing content while developing relationships with online influencers. They will become a powerful catalyst for word-of-mouth marketing for your business.

8. ACKNOWLEDGMENT

We will not ignore someone who reaches out to us in person so should not ignore people who want to connect online. Building online relationships is an

important part of social media marketing success, so we shall ways acknowledge every person who reaches out to us.

9. ACCESSIBILITY

We should not disappear after publishing the content. Always we shall try to be available to our audience. It means we should consistently publish content and participate in conversations. Online Followers are fickle minded and they won't hesitate to replace you if you disappear for weeks or months.

10. RECIPROCITY

Don't expect others to share our content and talk about us if you don't do the same for them. So, spend time on social media focusing on sharing and talking about content published by others.

REVIEW OF LITERATURE

"As people take control over their data while spreading their Web presence, they are not looking for privacy, but for recognition as individuals. This will eventually change the whole world of advertising" (Esther Dyson, 2008). Dell and their "Digital Nomads" program, aimed at a specific segment of Dell's customer base that hinges on the availability of online internet connection. Digital nomads are people who are productive in the office or outside of it, always are in touch with friends and update their colleagues on their work in progress through social networks. A common attribute identifying "Digital Nomads" is a combination of lifestyle and digital tools, also with an intention to get connected in any situation. Dell states that its hardware powers the nomadic lifestyle of this group of on-the-go professionals. We have to recognize that communities like "Take Your Own Path" and "Digital Nomads" are not aimed with a nonprofit or business or consumer motive but by the needs and desires of participants within these communities.

BRAND OUTPOSTS

An alternative approach to connect a brand or organization with online community also exists: We can create a place for brand presence called as a brand outpost within a network or online community like a Twitter presence a Face book Business Page, or a YouTube channel. While creating a brand outpost there need not be any reason except the expectation for the brand to be present and business objectives that will be served by such presence. There is a need to for a relevant contribution by the brand/product/service to the online community it wants to join. Simple posting of TV commercials



in YouTube, for example, in most cases does not produce engagement beyond the firm's own employees and may be their families watch these commercials. Most Face book members expect their favorite brands online on Face book. Aircel, the Indian Telecom Service provider, created an online Face book application that will embed the Aircel voice-mail service within Face book, thereby providing a link to its customers in an important online media channel and also acts as a point of competitive differentiation. Aircel Subscribers present on Face book, generally is a group that is younger and savvy when it comes to usage of the social web will use this application to stay connected with voicemail without easily leaving Face book. To fulfill its own business objectives in and around customer service, Australia's Telstra has created its very own Twitter presence (@telstra) partly out of recognizing act that Twitter is an ever burgeoning customer service portal and also that—as is the case with Face book, YouTube, and as with other leading social networks: its very own customers are expecting it to be there.

Online presence of brands in existing social networks would be welcome as it makes sense even from the perspective of consumers. Most of the brands are present in all the other places where people are willing to spend time: like on TV, on the radio, in the movies, in all forms of outdoor advertising, and at even sports events and the like. Social sites which are the new gathering places will be no exception. IT companies, MNC'S, Banks, soft drink brands, Movie studios, Celebrities ,auto manufacturers, and more are busy building "brand outposts" on Face book, YouTube, Orkut, and other social sites because even their customers are spending significant time on all those sites. Almost all the brands and organizations participating in this social web are in the process of skipping the future development of dedicated product micro-sites and also even major TV brand campaigns in the favor of having a stronger presence in most of these social sites. We cannot overlook the fact that Orkut, Face book, Twitter, LinkedIn, Slide share, Delicious all offer places where businesses and organizations can add big value to all the larger social communities formed around these social applications.

OBJECTIVES OF THE STUDY:

To Study the effectiveness of Marketing through social media.

To Study the level of acceptance of social media marketing.

To Offer suggestions for the improvement of social media marketing.

To Study if social media account subscribers are sharing the Posts that they go through.

To Study if brand followers are following the posts of the BRAND's Page in social media.

SCOPE OF STUDY:

The study is conducted to understand the various aspects of Social Media Marketing and whether advertising through social media is effective and accepted by the people and also their level of acceptance by collecting data from respondents at various Internet Kiosks in Hyderabad. The findings and conclusions from this study are based on responses of people in the city only. This study will be helpful to some extent in gaining an insight into Social media Marketing.

RESEARCH METHODOLOGY

5.1 Research design

The main purpose of this study is to know about effect of Advertisements in Social media on internet users. Statistical research Descriptive research also known as descriptive research is used here for studying customer preferences. The main goal of this Descriptive research is to describe the data and characteristics about the subject that is under study.

5.2 Area of the study

The study is conducted on customers at various Internet cafes. The sampling frame used in this study included the members of various social networks like Face book, Twitter, YouTube in Hyderabad. Structured Questionnaires were being distributed to customers on a random basis.

5.3 Research approach

Customer Survey and questionnaires method

Customer Survey method is used for collecting the required data from internet café visitors. We requested the respondents to fill the given questionnaire, by self after clearly explaining the various questions in it.

5.4 Sample Size

The Size of the sample taken in this study is 110.

5.5 Period of Study

The study was done during December 2013 timeline.

5.6 Data Usage:

For analysis and interpretation, only primary data is used. However for conclusion and recommendations both primary and the secondary data along with the verbal knowledge and information although obtained from respondents, though they are outside the parameters of questionnaire were also included. The data collected from these sources were analyzed using various tools like percentage analysis, chi-square test, cross table analysis method.

5.7 Research Instrument:

A standard questionnaire is formulated for the

collection of survey data from various customers. The Questionnaire is designed in such a way that it would collect all the needed information for the study and cover all the aspects defined in the objectives.

5.8 Tools:

SPSS version 16 will be used to tabulate and analyze the valid responses. Initially, a comprehensive data file was created. Then, variables and their labels were defined. Statistical tools like Chi-Square and cross tabling were used for the analysis.

ANALYSIS AND INTERPRETATION

6.1 General Profile of the Respondents

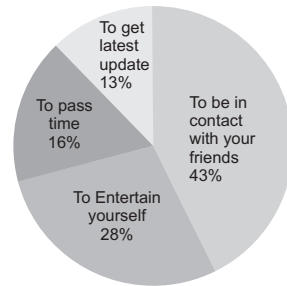
SEX	Male	Female			
	68	42			
AGE	18-24	25-30	31-36	37-42	Above 42
	21	36	24	16	13
EDUCATION	ILLITERATE	DIPLOMA	GRADUATION	PG	
	16	19	42	33	
PROFESSION	STUDENT	BUSINESS	IT-EMP	MANUFACTURING-EMP	OTHERS
	31	25	32	15	7
INCOME	<10,000	10,000-20,000	20,000-30,000	>30000	
	21	22	29	38	
HOW OFTEN DO YOU USE YOUR SOCIAL MEDIA ACCOUNTS?	ONCE A DAY	ONCE A WEEK	ONCE IN TWO WEEKS		
	43	36	31		
THE SOCIAL MEDIA SITE YOU PREFER	FACEBOOK	YOUTUBE	GOOGLE+	LINKEDIN	TWITTER
	35	24	16	21	14
WHAT KIND OF ADVERTISING MEDIA YOU PREFER THE MOST?	PRINT MEDIA	ELECTRONIC MEDIA	SOCIAL MEDIA	TRANSIT MEDIA	
	22	47	34	7	
REASON FOR YOU TO USE SOCIAL MEDIA	TO BE IN CONTACT WITH YOUR FRIENDS	TO ENTERTAIN YOURSELF	TO PASS TIME	TO GET LATEST UPDATE	
	47	31	18	14	

Interpretation:

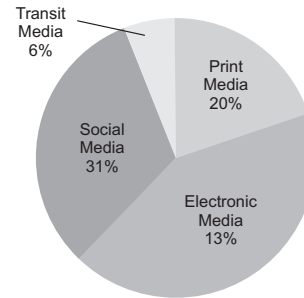
From the above table, we infer that 68(62%) of the total respondents are male and 42(38%) are female. On further classification according to age group, we find that of all the respondents 21(19%) are 18-24 years old, 36(33%) are of the age group 25-30, 24(22%) are of the age group 31-36, 16(15%) are

of the age group 37-42 and 13(12%) are above 42 years. On the basis of Monthly income, 43(39%) are below the income of 20,000, 67(61%) are above the income level of Rs 20,000. Most of the Social Media users 47(43%) cited "TO BE IN CONTACT WITH YOUR FRIENDS" as the reason for joining it. On the basis of Profession, Students and IT Employees formed the bulk of users of Social Media.

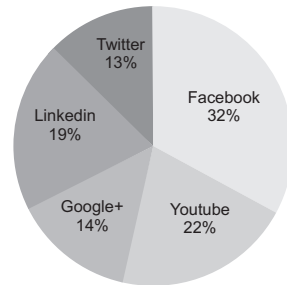
Purpose of Having Social Media Account



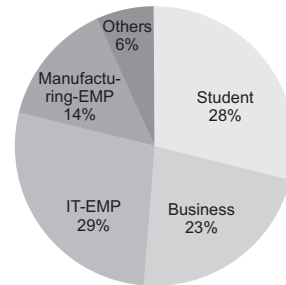
Media Preferences for Receiving Advertisements



Preferred Social Network



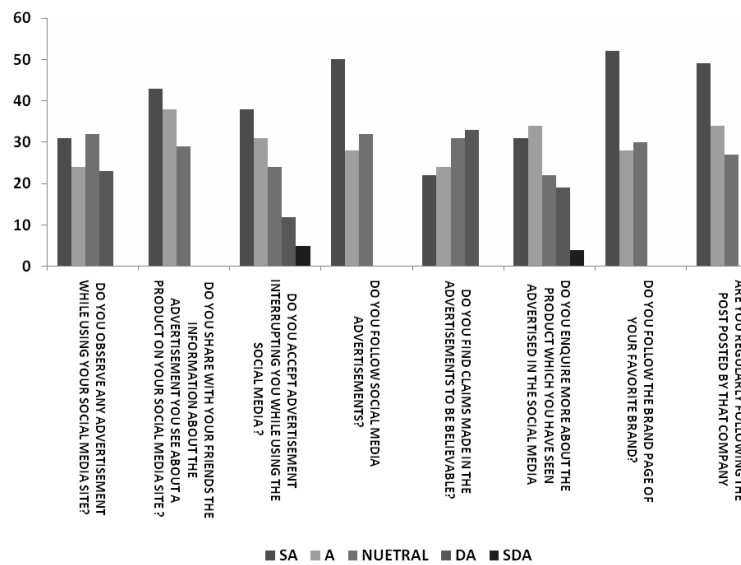
Category of Social Media Users



6.2 Customer satisfaction levels of various parameters of service provided at organized retail outlets

PARAMETER	SA	A	NUETRAL	DA	SDA
DO YOU OBSERVE ANY ADVERTISEMENT WHILE USING YOUR SOCIAL MEDIA SITE?	31	24	32	23	0
DO YOU SHARE WITH YOUR FRIENDS THE INFORMATION ABOUT THE ADVERTISEMENT YOU SEE ABOUT A PRODUCT ON YOUR SOCIAL MEDIA SITE ?	43	38	29	0	0
DO YOU ACCEPT ADVERTISEMENT INTERRUPTING YOU WHILE USING THE SOCIAL MEDIA ?	38	31	24	12	5
DO YOU FOLLOW SOCIAL MEDIA ADVERTISEMENTS?	50	28	32	0	0
DO YOU FIND CLAIMS MADE IN THE ADVERTISEMENTS TO BE BELIEVABLE?	22	24	31	33	0
DO YOU ENQUIRE MORE ABOUT THE PRODUCT WHICH YOU HAVE SEEN ADVERTISED IN THE SOCIAL MEDIA	31	34	22	19	4
DO YOU FOLLOW THE BRAND PAGE OF YOUR FAVORITE BRAND?	52	28	30	0	0
ARE YOU REGULARLY FOLLOWING THE POST POSTED BY THAT COMPANY	49	34	27	0	0

Figure 6.3



6.4 Chi-Square Test

6.4.1. Is There a Relation between MONTHLY INCOME and SOCIAL MEDIA USAGE?

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
MONTHLYINCOME * SOCIALMEDIAUSAGE	110	100.0%	0	.0%	110	100.0%

MONTHLYINCOME * SOCIALMEDIAUSAGE Crosstabulation

Count		SOCIALMEDIAUSAGE			Total
		1	2	3	
MONTHLYINCOME	1	6	9	6	21
	2	7	8	7	22
	3	9	11	9	29
	4	21	8	9	38
Total		43	36	31	110

CHI-SQUARE

MONTHLYINCOME

	Observed N	Expected N	Residual
1	21	27.5	-6.5
2	22	27.5	-5.5
3	29	27.5	1.5
4	38	27.5	10.5
Total	110		

SOCIALMEDIAUSAGE

	Observed N	Expected N	Residual
1	43	36.7	6.3
2	36	36.7	-.7
3	31	36.7	-5.7
Total	110		

Test Statistics

	MONTHLYINC OME	SOCIALMEDI AUSAGE
Chi-Square	6.727 ^a	1.982 ^b
df	3	2
Asymp. Sig.	.081	.371

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 27.5.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.



From the above SPSS calculation we infer that there is a significant relation between MONTHLY INCOME and SOCIAL MEDIA USAGE.

6.4.2. Is There a Relation between AUDIENCE SEEING SOCIAL ADS and THEM BELIEVING SOCIAL ADS?

SEESOCIALMEDIAADVTS * BELIEVESOCIALMEDIAADVTS Crosstabulation

Count		BELIEVESOCIALMEDIAADVTS				Total
		1	2	3	4	
SEESOCIALMEDIAADVTS	1	9	13	14	14	50
	2	6	5	5	12	28
	3	7	6	12	7	32
Total		22	24	31	33	110

CHI-SQUARE

SEESOCIALMEDIAADVTS

	Observed N	Expected N	Residual
1	50	36.7	13.3
2	28	36.7	-8.7
3	32	36.7	-4.7
Total	110		

BELIEVESOCIALMEDIAADVTS

	Observed N	Expected N	Residual
1	22	27.5	-5.5
2	24	27.5	-3.5
3	31	27.5	3.5
4	33	27.5	5.5
Total	110		

Test Statistics

	SEESOCIALM EDIAADVTS	BELIEVESOCI ALMEDIAADV TS
Chi-Square	7.491 ^a	3.091 ^b
df	2	3
Asymp. Sig.	.024	.378

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 27.5.

From the above SPSS calculation we infer that there is a significant relation between AUDIENCE SEEING SOCIAL ADS and THEM BELIEVING SOCIAL ADS.

6.4.3. Is There a Relation between AUDIENCE SEEING SOCIAL ADS and THEM SHARING SOCIAL ADS?

SEEINGADVERTISEMENTS * SHARINGADVERTISEMENTS Crosstabulation

Count		SHARINGADVERTISEMENTS			Total
		1	2	3	
SEEINGADVERTISEMENTS	1	14	10	7	31
	2	8	10	6	24
	3	11	12	9	32
	4	10	6	7	23
Total		43	38	29	110

CHI-SQUARE

SEEINGADVERTISEMENTS

	Observed N	Expected N	Residual
1	31	27.5	3.5
2	24	27.5	-3.5
3	32	27.5	4.5
4	23	27.5	-4.5
Total	110		

SHARINGADVERTISEMENTS

	Observed N	Expected N	Residual
1	43	36.7	6.3
2	38	36.7	1.3
3	29	36.7	-7.7
Total	110		

Test Statistics

	SEEINGADVERTISEMENTS	SHARINGADVERTISEMENTS
Chi-Square	2.364 ^a	2.745 ^b
df	3	2
Asymp. Sig.	.500	.253

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 27.5.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

From the above SPSS calculation we infer that there is a significant relation between AUDIENCE SEEING SOCIAL ADS and THEM SHARING SOCIAL ADS indicating Audiences are sharing more number of Ads.

6.4.4. Is There a Relation between AUDIENCE FOLLOWING A BRAND PAGE and THEM SEEING REGULAR POSTS FROM IT?

FOLLOWBRANDPAGE * SEEINGPOSTFROMBRANDPAGE Crosstabulation

Count		SEEINGPOSTFROMBRANDPAGE			Total
		1	2	3	
FOLLOWBRANDPAGE	1	27	17	8	52
	2	13	8	7	28
	3	9	9	12	30
Total		49	34	27	110



CHI-SQUARE

FOLLOWBRANDPAGE

	Observed N	Expected N	Residual
1	52	36.7	15.3
2	28	36.7	-8.7
3	30	36.7	-6.7
Total	110		

SEEINGPOSTFROMBRANDPAGE

	Observed N	Expected N	Residual
1	49	36.7	12.3
2	34	36.7	-2.7
3	27	36.7	-9.7
Total	110		

Test Statistics

	FOLLOWBRA NDPAGE	SEEINGPOST FROMBRAND PAGE
Chi-Square	9.673 ^a	6.891 ^a
df	2	2
Asymp. Sig.	.008	.032

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

From the above SPSS calculation we infer that there is no significant relation between AUDIENCE FOLLOWING A BRAND PAGE and THEM SEEING REGULAR POSTS FROM IT. So it indicates that Indian Customers are demanding Value-for-Money Products and are not that much Brand Specific.

VII. CONCLUSION

Social media advertising has a significant impact over the people who use social media sites. A very less number of people do not have any information about social media advertisement.

Social media advertising is taking the way towards the bright future in the advertising field. People accept social media advertisement so marketers must concentrate more on social media advertisement.

Companies now have to look more towards the social media advertisement as it is taking over as one of the new and the best form of advertising. Even people who come on social media should be asked what kinds of advertisements they like to see while using the social media.

Social media today has started playing a key role in the purchase decision of the consumers and even people accept social media advertisement and even it is being one of the best ways for the marketers to market their products directly to their targeted consumer.

Social media marketing helps by increasing Website traffic, Conversions, Brand Awareness and creating

a brand identity and positive brand association by improving Communication and interaction with key audiences and measure social media ROI.

VIII.SUGGESTIONS

To Improve Social Media Marketing some steps to be taken are:

Planning a social media marketing strategy is essential. We should do keyword research and brainstorm our content ideas to arouse target audience.

Content is the king when it comes to social media marketing. Make sure you offer valuable information that customers find interesting. Create content using images, videos, and info graphics in addition to the classic text-based one.

Using social media for marketing will enable us to project our brand image across different social media platforms.

Blogging is a social media marketing tool that lets us share information and content with readers. The company blog will also serve as our social media marketing blog, in which we blog about our recent social media efforts, contests, and events.

If social media for marketing relies on businesses sharing own unique, original content to gain followers it will be great to link to outside articles as well if they provide great, valuable information that target audience will enjoy as it improves trust and reliability.

Tracking Competitors is important as it can provide valuable data for doing keyword research, where to get industry-related links and also other social media marketing insight. If our competitors are using a certain social media marketing technique that seems to be working for them, we can do the same thing, better.

We can analyze the success of social media marketing strategies by tracking data. Google Analytics can be used as a great social media marketing tool that helps measure triumphant social media marketing techniques and determine which strategies are to be abandoned.

REFERENCES

1. Lampe, C., Ellison, N., & Steinfeld, C. (2007). A familiar Face(book): Profile elements as signals in an online social network. *Proceedings of Conference on Human Factors in Computing Systems* (pp. 435-444). New York: ACM Press.
2. Dave Evans.(2010).*Social media marketing : the next generation of business engagement / ISBN: 978-0-470-63403-5.*
3. Acquisti, A., & Gross, R. (2006). Imagined communities: Awareness, information sharing, and privacy on the Face book. In P. Golle & G. Danezis (Eds.), *Proceedings of 6th Workshop on Privacy Enhancing Technologies* (pp. 36-58). Cambridge, UK: Robinson College.
4. boyd, d. (2004). Friendster and publicly articulated social networks. *Proceedings of ACM Conference on Human Factors in Computing Systems* (pp. 1279-1282). New York: ACM Press.
5. Byrne, D. (in press). The future of (the) 'race': Identity, discourse and the rise of computer mediated public spheres. In A. Everett (Ed.), *MacArthur Foundation Book Series on Digital Learning: Race and Ethnicity Volume* (pp. 15-38). Cambridge, MA: MIT Press.
6. boyd, d. (2008). Why youth (heart) social network sites: The role of networked publics in teenage social life. In D. Buckingham (Ed.), *Youth, Identity, and Digital Media* (pp. 119-142). Cambridge, MA: MIT Press.
7. Cassidy, J. (2006, May 15). Me media: How hanging out on the Internet became big business. *The New Yorker*, 82 (13), 50.
8. Mary Gormandy White. What Types of Social Networks Exist? Retrieved January 9, 2014 from http://socialnetworking.lovetoknow.com/What_Types_of_Social_Networks_Exist.
9. Madhavan, N. (2007, July 6). India gets more Net Cool. *Hindustan Times*. Retrieved July 30, 2007 from <http://www.hindustantimes.com/StoryPage/StoryPage.aspx?id=f2565bb8-663e-48c1-94ee-d99567577bdd>
10. SusanGunelius.10Laws of Social Media Marketing. Retrieved from <http://www.entrepreneur.com/article/218160>.
11. Charnigo, L., & Barnett-Ellis, P. (2007). Checking out Facebook.com: The impact of a digital trend on academic libraries. *Information Technology and Libraries*, 26 (1), 23.
12. Donath, J., & boyd, d. (2004). Public displays of connection. *BT Technology Journal*, 22(4), 71-82.
13. Fono, D., & Raynes-Goldie, K. (2006). Hyper friendship and beyond: Friends and social norms on Live Journal. In M. Consalvo & C. Haythornthwaite (Eds.), *Internet Research Annual Volume 4: Selected Papers from the AOIR Conference* (pp. 91-103). New York: Peter Lang.
14. Golder, S. A., Wilkinson, D., & Huberman, B. A. (2007, June). Rhythms of social interaction: Messaging within a massive online network. In C. Steinfeld, B. Pentland, M. Ackerman, & N. Contractor (Eds.), *Proceedings of Third International Conference on Communities and Technologies* (pp. 41-66). London: Springer.
15. Gajjala, R. (2007). Shifting frames: Race, ethnicity, and intercultural communication in online social networking and virtual work. In M. B. Hinner (Ed.), *The Role of Communication in Business Transactions and Relationships* (pp. 257-276). New York:Peter Lang.
16. Haythornthwaite, C. (2005). Social networks and Internet connectivity effects.*Information, Communication, & Society*, 8 (2), 125-147.
17. Gross, R., & Acquisti, A. (2005). Information revelation and privacy in online social networks. *Proceedings of WPES'05* (pp. 71-80). Alexandria, VA: ACM.
18. Hjorth, L., & Kim, H. (2005). Being there and being here: Gendered customising of mobile 3G practices through a case study in Seoul. *Convergence*, 11 (2), 49-55.
19. Heer, J., & boyd, d. (2005). Vizster: Visualizing online social networks. *Proceedings of Symposium on Information Visualization* (pp. 33-40). Minneapolis, MN: IEEE Press.
20. Hodge, M. J. (2006). The Fourth Amendment and privacy issues on the "new" Internet: Facebook.com and MySpace.com. *Southern Illinois University Law Journal*, 31, 95-122.
21. Jagatic, T., Johnson, N., Jakobsson, M., & Menczer, F. (2007). Social phishing. *Communications of the ACM*, 5(10), 94-100.



22. Liben-Nowell, D., Novak, J., Kumar, R., Raghavan, P., & Tomkins, A. (2005) Geographic routing in social networks. Proceedings of National Academy of Sciences, 102 (33) 11,623-11,628.
23. Lampe, C., Ellison, N., & Steinfield, C., (2006). A Face(book) in the crowd: Social searching vs. social browsing. Proceedings of CSCW-2006 (pp. 167-170). New York: ACM Press.
24. Liu, H., Maes, P., & Davenport, G. (2006). Unraveling the taste fabric of social networks. International Journal on Semantic Web and Information Systems, 2 (1), 42-71.
25. Skog,D.(2005).Social interaction in virtual communities:The significance of technology. International Journal of Web Based Communities,

Changing Paradigms in Regulating and Deregulating the Sugar Pricing Mechanism in India

Dr. Musheer Ahmed*

Faizanur Rahman**

ABSTRACT

India ranks first in sugar consumption and second in sugar production in world but its share in global sugar trade is below 4%. Indian sugar industry has been facing raw material and resource as well as infrastructural problems. Though the globalization has brought a number of opportunities but at the same time posed certain challenges before sugar industry. Most of the sugar units in India utilize production capacity below 50%. Low capacity utilization and inadequacy of raw material led to closer of larger number of sugar factories in India. In addition to this mounting losses and decreasing network of sugar factories have been responsible for sickness of sugar industry. Gradually sickness in sugar industry has reached to an alarming proportion. Indian sugar industry has been cash striven for decades. Low cash inflow due to piling stocks leads to serious financial crisis and finally to closing sugar factories. Sugar and cane prices in India are highly regulated, causing high fluctuations in supply and demand conditions. Present price policy and regulation in the sugar sector in India has resulted in low sugarcane productivity, and stifled profitability and modernization of sugar mills. Sugar prices have been a political issue rather than economical issue; it worsens economy of sugar factories. The present paper look into all the issues related to regulation of the sugar sector and suggest ways and means to change those regulations in a manner that better promotes efficiency and investments and sets this sector on a higher growth trajectory, increasing employment in rural areas and enhancing incomes of all those involved in this sector.

Key Words: Public Distribution System, State Advised Price, Fair and Remunerative Price, Commission for Agriculture Cost and Price, Non-Levy Sugar, Levy Sugar

I. INTRODUCTION

In an era where there is a need for inclusive growth, the sugar industry is amongst the few industries that have successfully contributed to the rural economy. It has done so by commercially utilizing the rural resources to meet the large domestic demand for sugar and by generating surplus energy to meet the increasing energy needs of India. Indian sugar industry is a critical industry, as on one hand it services the domestic market, the largest in the world and on the other hand, it supports 50 million farmers and their families. It is the second largest agro based industry in India. The Indian domestic sugar market is one of the largest markets in the world, in volume terms. India is also the second largest sugar producing geography. India remains a key growth driver for world sugar, growing above the Asian and world consumption growth average. Globally speaking, in countries like Brazil and Thailand, regulations have a significant influence on the sugar sector. Thus, the perishable nature of cane, small farm landholdings and the need to influence domestic prices, all have been the

drivers for regulations. In India too sugar is highly regulated. Since 1993, the regulatory environment has considerably eased, but sugar still continues to be an essential commodity under the Essential Commodity Act. There are regulations across the entire value chain land demarcation, sugarcane price, sugarcane procurement, sugar production and sale of sugar by mills in domestic and international markets. However, fundamental changes in the consumer profile and the demonstrated ability of the sector to continuously ensure availability of sugar for domestic consumption has diluted the need for sugar to be considered as an essential commodity. Sugar is the most tightly controlled agricultural commodity in India. The government regulates nearly every aspect of the industry, including how much sugar a producer can sell, the distance between two mills, the specific region from which a particular mill can buy cane, and the price it must pay for it. India is the second-largest producer of sugar behind Brazil but refining capacity hasn't been climbing because of the tight government controls, which affect the profit margins of mills.

*Associate Professor, Department of Business Administration, Khwaja Moinuddin Chishti, Urdu Arabi Farsi University, Lucknow (UP)

**Assistant Professor, Department of Law, Aligarh Muslim University, Centre Murshidabad (WB)

II. REGULATIONS AND CONTROLS IN THE SUGAR SECTOR

India is the largest consumer of sugar and the second largest producer of sugar in the world. However, it does not have a reasonable degree of predictability in its production and trade policy with respect to sugar. The sector is characterized by controls across the entire value-chain of sugar production and sale, which not only hampers its efficiency but also exacerbates the cyclicity in sugar and sugarcane production. This characteristic of unpredictability in sugarcane production, coupled with the controls, does not allow the sugar sector to tap its full potential and thereby adversely impacts the interests of stakeholders across the value-chain viz., sugarcane growers, sugar mills or consumers. The highly perishable nature of sugarcane, the small land holdings of sugarcane farmers and the need to keep the price of sugar at a reasonably affordable level to make it available through the Public Distribution System (PDS) have been the drivers for regulation. The principal aspects regulated in the sugar sector are as under:

- (a) **Cane Reservation Area and Bonding:** Every designated mill is obligated to purchase from cane farmers within the cane reservation area, and conversely, farmers are bound to sell to the mill. As a consequence of the area requirement (distance criterion), setting up of a new mill requires approvals, notwithstanding delicensing under the Industries Development & Regulation Act, 1951.
- (b) **Minimum Distance Criterion:** The Central Government under the Sugarcane Control Order has prescribed a minimum distance of 15 km between any two sugar mills. Enhancement of this distance has also been allowed on the request of some state governments.
- (c) **Price of Sugarcane:** The country has dual sugar pricing policy. On the one hand, the Centre Government fixes Fair and Remunerative Price (FRP) as the minimum price, which is also used for arriving at the price of levy sugar. On the other, many States have intervened in sugarcane pricing with State Advised Price (SAP) to strengthen the farmer interests. SAP has typically been higher than FRP. Farmers and millers on the one hand, and Commission for Agriculture Cost and Price (CACPC) and states on the other, have held divergent views on which is a price fair to both farmers and millers.
- (d) **Levy Sugar Obligation:** Every sugar mill mandatorily surrenders 10% of its production to the Central Government at a pre-determined price, which is, at present, Rs. 1,904.82 per quintal. This enables Central Government to get access to low cost sugar stocks for distribution through PDS. The burden for the same being borne by the sugar sector.
- (e) **Regulated Release of Free-Sale (Non-Levy) Sugar:** The release of non-levy sugar into the market is regulated by the Central Government through a controlled release mechanism. Earlier, monthly release orders were issued to each mill. Release orders have now become quarterly. The idea seems to be to match supply with anticipated demand based on the data available with the Directorate of Sugar.
- (f) **Trade Policy for Sugar:** In this area depending on mill-wise monthly production and stocks, local production levels and world market conditions, quantitative controls on both exports and imports are common in the sector. This is an avoidable source of uncertainty for the industry.
- (g) **Regulations Relating to By-Products:** There are several regulatory hurdles in respect of the by-products of sugar industry. In respect of molasses, these are at the state level, in terms of state government decisions relating to fixation of quotas for different end uses of molasses, restrictions on movement (particularly across state boundaries), etc. In respect of cogeneration from bagasse, there are regulatory and implementation issues relating to freedom to sell power to consumers other than the local power utility, and resort by state governments or their electricity boards to restriction on such open access sale by frequent or routine invocation of statutory provisions meant to deal with emergencies.
- (h) **Other Issues:** Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987 mandates that sugar be packed only in jute bags.

III. ADVERSE IMPACT OF CONTROL ON SUGAR INDUSTRY

Sugar industry is, perhaps, the only industry which continues to be highly regulated in the scenario of decontrol and liberalization. This has restricted the growth of the sugar industry as the controls have marred the sustained growth of the industry and

killed the competitiveness of the industry. The powers being vested with the Government for deciding the quantity of sugar and the period during which it has to be sold, the Government has most of the time been able to keep the sugar prices below cost of production. Moreover, the free sale sugar prices are further reduced because of the threat of converting unsold quantity to levy. The traders aware of this aspect take full advantage of it to bring down the price. The Government also imports sugar to control the open market sugar price.

Sugar factories are forced to give a percentage of their sugar production to the Government nominees at very low price for supplying to Below Poverty Line (BPL) population under Public Distribution System (PDS). In other countries and in India also for other commodities the Government purchases the commodity at market price and the subsidy for providing the commodity is borne by the Government itself. This is not the case with regard to sugar. Further, if the levy sugar quota is not lifted, as is generally the case whenever the free sale market sugar price goes below levy sugar price, the sugar factories are expected to keep the levy quota alive, by replacing it with new season's production till the lifting agencies make a demand for it, when the free sale market price of sugar goes up. As export of sugar is also under release mechanism, the Indian sugar industry is not able to take advantage of demands of the global market. The impact of all the adversities are more on cooperative sugar factories as they are organizations of small and marginal farmers with no alternative source of revenue unlike the private sector and they are law abiding, hence comply with the rules even under adverse circumstance.

IV. SUGAR POLICY OF THE GOVERNMENT

Sugar is a controlled commodity in India under Essential Commodities Act, 1955. It is in the interest of the general public in order to maintain increasing supply of essential commodities and for securing their equitable distribution at fair price, the government of India on April 1, 1955 passed the Essential Commodities Act. The Essential Commodities Act, 1955 enables the Government to control the production, supply, distribution and trading of certain commodities including sugar and sugarcane. Irrespective of the fact sugar being covered under the Essential Commodities Act, 1955 'sugar' and 'sugarcane' have always been subjected to various controls as per the provisions of the Act and Rules there under:

- Sugar (Control) Order, 1966
- Sugarcane (Control) Order, 1966

- Sugar (Packing and Marking) Order, 1970
- Levy Sugar Price Equalization Fund Act, 1976 (LSPEF Act)
- Levy Sugar Supply (Control) Order, 1979.
- Sugar Cess Act, 1982
- Sugar Development Fund Act, 1982
- Sugar Development Fund Rules, 1983

1. The Essential Commodities Act, 1955

This Act provides, in the interest of the general public, for the control of the production, supply and distribution of, and trade and commerce, in certain commodities. Sugar being an essential commodity is subject to the regulations under this Act. The Central Government may by order provide for regulating or prohibiting the production, supply and distribution thereof and trade and commerce therein for essential commodities, if it is of the opinion that it is necessary or expedient so to do for:

- Maintaining or increasing the supply of essential commodity;
- Securing their equitable distribution and availability at fair prices; and
- Securing any essential commodity for the defence of India or the efficient conduct of military operations.

In February 2002, the Government removed the restriction on storage and movement of sugar and licensing requirement. Further in 2003, Government amended the Act by inserting clause 3(D) and 3(E) for validating the regulated release mechanism. The new amendment empowers Government to issue directions to implement the regulated release mechanism policy of the Government effectively.

- (a) On October 21, 2009, an Ordinance was promulgated to amend the Essential Commodities Act, 1955. This Ordinance had following two provisions:
- (b) It added an Explanation to Section 3 of the Principal Act, stating that the Central Government, while procuring levy sugar, would not pay any price in excess of that calculated on the basis of the Minimum Price (SMP) for sugarcane set by the Central Government. This Explanation comes into effect from 1974. The Supreme Court has ruled that the price of levy sugar should include the additional price as indicated in Section 5A of the Sugarcane Control Order, 1966 (known as the Bhargava formula) and the State Advisory Price (SAP) set by State Governments. This amendment negated the judgment.



The Ordinance also amended the price to be paid to sugar producers by the Central Government for procuring levy sugar. It specified that the price of sugar will be based on the "Fair and Remunerative Price (FRP)" fixed for sugarcane, and will include the manufacturing cost, duties, taxes and reasonable rate of return. Earlier the price was based on the Minimum Price (SMP) for sugarcane, and included the other costs and return. The FRP will be announced by the Central Government, similar to the earlier system of SMP. The Ordinance clarified that the Central Government would not pay any price in excess of that based on FRP for sugarcane.

2. Sugar Control Order, 1966

Sugar Control Order empowered the Central Government or State Government or any officer or authority of a State Government with the following powers:

- (a) **Power to regulate production of sugar:** The Central Government may, by order published in the official Gazette, direct that no sugar shall be manufactured from sugarcane except and in accordance with the conditions specified in a license issued in this behalf, whether on payment of a fee or otherwise. Clause 3 deals with the power to regulate production of sugar through the grant of license (though the sugar industry has since been deleted from the list of industries requiring compulsory licensing under the provisions of the Industries (Development and Regulation) Act, 1951). A minimum distance of 15 km would continue to be observed between an existing sugar mill and a new mill. The entrepreneurs would be required to file an Industrial Entrepreneur Memoranda (IEM) with the Secretariat of Industrial Assistance in the Ministry of Industry.
- (b) Power to restrict sale, etc. of sugar by producer
- (c) Power to issue direction to producers and dealers
- (d) Sugar attached by government officers, etc., not to be sold without directions
- (e) Power to regulate movement of sugar
- (f) **Power to regulate quality of sugar:** The Central Government may prescribe the quality of sugar in terms of Indian Sugar Standard Grades to which all or kind of sugar should conform at the time of delivery in pursuance of the direction issued to a producer under clause (f) of sub-section (2) of Section (3) of

the Essential Commodities Act, 1955 or clause (5) of this order.

- (g) **Power to call for information, etc:** The Central Government or any person authorized in this behalf by the Central Government may with a view of securing compliance with this order, or to satisfy itself that any order or direction issued under this order is complied with.
- (h) **Power to inspection, entry, search, sampling, seizure, etc:** This Act was amended in 1999, to bring both sugar imports and importers under the purview of this order. Further restrictions related to stock holdings and other formalities have been removed with effective from July, 2000. The Government has also abolished the turnover limits of 30 days applicable to recognize the dealers with effective from August, 2001.

3. Sugarcane Control Order, 1966

Sugarcane (Control) Order, 1966 provides for:

- (a) Price (SMP) for sugarcane purchased by sugar mills during each sugar season (Clause 3):
 - i. Clause 3(1) and 3(2) deal with fixation of the Statutory Minimum Price having regard to following six criteria:
 - Cost of production of sugarcane;
 - Return to grower from alternative crops and the general trend of prices of agricultural commodities;
 - Availability of sugar to the consumer at a fair price;
 - Price at which sugar produced from sugarcane is sold by the producer of sugar;
 - Recovery of sugar from sugarcane; and
 - Realization from by-products such as molasses, bagasse, etc.
 - ii. Payment of interest at 15% per annum on amounts due beyond 14 days of delivery of sugarcane at factory gate (Clause 3(3A))
 - iii. Clause 3(7) deals with deposits to be made with the District Collector, within three months of close of a sugar year, amounts of cane price unpaid or lying unclaimed with the factory on the last day of the sugar year.
- (b) **Payment of additional cane price to the growers (Clause 5A):** Clause 5-A provides for payment of additional cane price in accordance with the formula contained in the Second Schedule to the Sugarcane (Control) Order, 1966. This formula (generally referred to as 'the Bhargava Formula') is meant to enable the farmer to get a remunerative price for the

cane supplied after 1-10-1974, by sharing the profits arising out of excess realization with the producer sugar factory.

- (c) **Regulation of distribution and movement of sugarcane (Clause 6):** Clause 6 deals with the power of Government to regulate distribution and movement of sugarcane such as, fixation of 'reserved area' for a sugar factory, grower, directing the cane supplier and sugar factory to enter into an agreement, prohibiting or restricting the export of sugarcane from any area without a permit, etc.
- Licensing of power crushers and khandsari units and regulation.
 - Issue of directions to producers of khandsari sugar (Clause 8).
 - Power to call for information, etc. from producers (Clause 9).
 - Power to entry, search and seizure (Clause 9A).
 - Delegation of powers conferred by the Sugar (Control) Order, 1966 to any officer or authority of the Central or State Government.

In October, 2009 the Central Government issued an Order to amend the Sugarcane Control Order, 1966. The Amendment Order replaced the "minimum price" by "fair and remunerative price". It included a seventh factor "(g) reasonable margin to the growers of sugarcane on account of risk and profits". It added Clause 3B which required that the state governments should bear the incremental cost if it fixes SAP higher than FRP. It also deleted Clause 5A and the Second Schedule; sugar mills shall not pay an additional price based on the Bhargava formula. The key implications from this amendment can be summarized as follows:

- i. The Central Government shall pay a price for levy sugar based solely on the FRP that it sets for sugarcane. It will not take into account any higher price paid or payable for sugarcane by sugar mills.
- ii. The FRP will include a reasonable margin to the sugarcane grower for risk and profit.
- iii. If a State Government fixes a price for sugarcane (such as SAP) which is higher than FRP, it will have to pay the difference between SAP and FRP to the sugarcane grower.
- iv. The sugar mills will not share its excess profits with the sugarcane growers, as mandated by the Bhargava Formula.

Later Government agreed to drop Clause 3B vide Sugarcane Control Amendment Order, 2010, which

implied sugar mills will pay higher of FRP or SAP. However, other things remained status quo.

4. Levy Sugar Supply (Control) Order, 1979

Levy Sugar Supply (Control) Order, 1979, provides for powers to issue direction to producer or dealer for supply of levy sugar requisitioned by the Central Government through an order made with reference to Section 3(2) (f) of the E.C. Act, 1955. Month-to-month release orders for delivery of levy sugar are issued in exercise of the powers conferred by this Order

5. Sugar (Packing and Marking) Order, 1970

Sugar (Packing and Marking) Order, 1970 provides markings to be indicated on sugar bags. Unless otherwise permitted by central government, sugar is required to be packed in jute bags conforming to Indian standard specifications. Sugar meant for the purpose of export and small-consumed packs of 5 kg and below have been exempted from the compulsory use of jute bags.

6. Sugar Cess Act 1982

The Sugar Cess Act 1982 was enacted to provide for the imposition of a cess on sugar for the development of sugar industry and for matters connected therewith.

7. Sugar Development Fund Act 1982

The object of the Sugar Development Fund, 1982 (SDF Act) in the formation of the Sugar Development Fund to be applied for the purpose of rendering financial assistance through loans at concessional rates for rehabilitation and modernization of sugar factories as well as for sugarcane development and for encouraging research aimed at development of sugar industry by making grant.

8. Sugar Development Fund Rules 1983

The Sugar Development Fund Rules, 1983 were made in exercise of the powers conferred by Section 9 of the SDF Act, 1982, to provide for (a) the manner in which any loss or grants out of the fund and the terms and conditions thereof, (b) the manner and form in which applications are to be made; (C) the composition of the committee and the procedure to be followed by it in the discharge of its functions and (d) the form in which and the period within which statistical and other information may be furnished by sugar factories



9. Levy Sugar Price Equalization Fund Act, 1976

The Levy Sugar Price Equalization Fund Act 1976 (LSPEF Act) was enacted to provide for the establishment, in the public interest, of a Fund to ensure that the price of levy sugar may be uniform throughout India and for matters connected therewith or incidental thereto.

These controls have outlived their utility and are no more relevant under the changed scenario. Thus taking it into consideration the Government of India initiated de-licensing policy in sugar industry on 11th September, 1998 in view of globalization process, and since then industry has experienced significant changes. During 1988-89 to 1991-92, government had introduced partial control in accordance with levy-free sugar ratio was 45:55. It was 40:60 during 1992-93 to 1996-97. The decontrol of sugar trade got momentum in due course and in 2005 levy free sugar ratio is 10:90. The delicensing caused the installed capacity in the sugar sector to grow at almost 7% annually between 1998-99 to 2011-12 compared to 3.3% annually between 1990-91 to 1997-98. The delicensing also contributed significantly to a structural transformation in the sugar industry. Till 1997-98, sugar cooperatives dominated the sugar industry but by 2011-12 this changed significantly with the private sector contributing the largest share of total installed capacity. Although delicensing removed some regulations in the sugar sector but other regulations persisted. The drivers for regulations were: (i) the highly perishable nature of sugarcane; (ii) the small land holdings of sugarcane farmers; and (iii) the need to keep the price of sugar at reasonably affordable levels while making it available through the Public Distribution System (PDS).

The Committee appointed by government under chairmanship of S.K. Tuteja recommended decontrol of free sale sugar by October, 2005. The Central government announced statutory minimum prices (SMP) of sugarcane and on this basis state governments fix state advised prices (SAP). Unfortunately, SAP is being used as a political tool and has been main concern of sugar mills as it results in escalation of production costs. Taking it as a matter of great concern the Economic Advisory Council to the Prime Minister under chairmanship of C. Rangarajan submitted a Report on the Regulation of Sugar Sector in India: The Way Forward on October 5, 2012. The Report examines the issues related to the regulation of the sugar sector, and suggests ways to promote efficiency and investments in the sector. The Committee found that existing

regulations were stunting the growth of the industry and recommended that the sector be deregulated. The Deregulation would enable the industry to leverage the expanding opportunities created by the rising demand of sugar and sugarcane as a source of renewable energy.

V. RECOMMENDATIONS OF REPORT ON THE REGULATION OF SUGAR SECTOR IN INDIA: THE WAY FORWARD

The Committee (under chairmanship of C. Rangarajan) looks into all the issue of deregulation of sugar sector and recommendations made are as follows:

- (a) **Cane Reservation Area and Bonding:** Every designated mill is obligated to purchase from cane farmers within the cane reservation area, and conversely, farmers are bound to sell to the mill. This ensures a minimum supply of cane to a mill, while committing the mill to procure at a minimum price. However, this arrangement reduces the bargaining power of the farmer. He is forced to sell to a mill even if there are cane arrears which occur when sugar mill owners delay payment to farmers for the sugarcane supplied. Mills, on their part, lose flexibility in augmenting cane supplies, especially when there is a shortfall in sugarcane production in the cane reservation area. Mills are also restricted to the quality of cane that is supplied by farmers in the area. The Committee recommended that over a period of time, states should encourage development of market-based long-term contractual arrangements, and phase out cane reservation area and bonding. Such individual contracts with farmers would give them the flexibility to decide which mill they want to sell their produce to.
- (b) **Minimum Distance Criterion:** The central government under the Sugarcane Control Order has prescribed a minimum radial distance of 15 km between any two sugar mills. This regulation is expected to ensure a minimum availability of cane for all mills. However, this criterion often causes distortion in the market. The virtual monopoly over a large area can give the mills power over farmers, especially where landholdings are smaller. In addition to restricting competition, the regulation inhibits entry and further investment by entrepreneurs. In order to increase competition and ensure a better price for farmers, the Committee recommended that the distance norm be reviewed. The removal of the regulation will ensure better prices for

farmers and force existing mills to pay them the cane price on time.

- (c) **Price of Sugarcane:** The central government fixes the Fair and Remunerative Price (FRP) as a minimum price that is paid by mills to farmers. The States can also intervene in sugarcane pricing with a State Advised Price (SAP) to strengthen farmer's interests. Generally, SAP is higher than FRP. There have been divergent views on which is a fair price to both farmers and millers. The Committee recommended that states should not declare an SAP. It suggested determining cane prices according to scientifically sound and economically fair principles. The committee agreed that sharing of the revenues or value created in the sugarcane production chain should be in a ratio of 70:30 between farmers and millers. This ratio should also apply to the revenue generated from sale of primary by-products of sugar. Thus, actual payment for cane dues would happen in two steps. The first would be a payment of a floor price (FRP) from mills to farmers. The balance payment of cane dues will depend on the final sugar price that mills sell at. These dues will be split between farmers and millers on the lines indicated above.
- (d) **Levy Sugar Obligation:** Every sugar mill mandatorily surrenders 10% of its production to the central government at a price lower than the market price, this is known as levy sugar. This enables the central government to get access to low cost sugar stocks for distribution through PDS. The policy of levy sugar puts the burden of a government social welfare programme (PDS) on the industry. A price lower than the open market price implies lower returns for mills, which eventually impacts cane payments to farmers. The Committee recommended dispensing with levy sugar and doing away with a centralized arrangement for PDS sugar. The States that want to provide sugar under PDS may henceforth procure it directly from the market.
- (e) **Regulated Release of Non-Levy Sugar:** The central government allows the release of non-levy sugar into the market on a periodic basis. Currently, release orders are on a quarterly basis. Thus, sugar produced over the four-to-six month sugar season is sold throughout the year by distributing the release of stock evenly across the year. The mechanism of regulated release imposes costs directly on mills and hence indirectly on farmers. In this way, mills can neither take advantage of high prices to sell the maximum possible stock, nor dispose of their stock to raise cash for meeting various obligations. This adversely impacts the ability of mills to pay sugarcane farmers in time. The Committee recommended removing the regulations on release of non-levy sugar to improve the financial health of the sugar mills. This, in turn, will lead to timely payments to farmers and a reduction in cane arrears.
- (f) **Trade Policy for Sugar:** The government has set controls on both exports and imports. These controls are imposed after taking into account the domestic availability, demand and price of sugarcane. A number of cascading import controls and export permits are used to achieve this. Even though India contributes 17% to global sugar production being second largest producer in the world but its share in exports is only 4%. This has been at the cost of considerable instability for the sugar cane industry and its production. The Committee recommended that all existing quantitative restrictions on trade in sugar should be removed and converted into tariffs. In this regard appropriate tariff in the form of a moderate duty on imports and exports, not exceeding 5-10%, should be applied. Such a trade policy will be neutral to consumers and producers. The tariff can be changed when world prices are very high or low.
- (g) **Regulations Relating to By-Products:** There are certain restrictions that have been placed on by-products of sugarcane such as molasses and bagasse. In this regards the State governments fix quotas for different end uses of molasses and restrict their movement, particularly across state boundaries. In some states restrictions on the mills that can sell power generated from bagasse to users other than the local power utility have also imposed. Mills are also restricted from selling power generated from bagasse to other states. The restrictions impede the revenue realization from cogeneration and reduce economic efficiency. The committee recommended that there should be no restrictions on sale of by-products and prices should be market determined. States should also undertake policy reform to allow mills to harness power generated from bagasse.
- (h) **Other issues:** The Jute Packaging Materials (Compulsory use in Packing Commodities) Act,



1987 (JPMA) mandates that sugar be packed only in jute bags. The sugar industry estimates that this leads to an increase in cost by about 40 paise per kg of sugar besides adversely impacting quality. The committee recommended removing the sugar industry from the purview of the JPMA.

VI. CANE AND SUGAR PRICING

The Central Government fixes the Fair and Remunerative Price (FRP) of sugarcane under Clause 3(1) of the Sugarcane (Control) Order, 1966. Under the extant sugar policy of the Central Government, sugar mills are obliged to supply 10% of their production as levy sugar for supply in the Public Distribution System (PDS). The price of levy sugar is determined by the Government under the provisions of the Essential Commodities Act, 1955. The price of the Non-levy sugar is market determined and depends upon many factors like domestic demand and supply, international price of sugar and market sentiments etc. The FRP is a benchmark guaranteed price of sugarcane determined by the Central Government below which no sugar mill can purchase sugarcane from cane growers. Thus, a minimum price is assured to the farmers. Hence, the sugarcane pricing policy is beneficial to the farmers.

(a) Levy Sugar and the Release Mechanism for Non-Levy Sugar

The country has dual sugar pricing policy:

- (i) **Levy Sugar Price (Fixed by Government):** Levy sugar means sugar requisitioned by the Central Government under clause (f) of sub-section (2) of section 3 of the Essential Commodities Act, 1955. It is administered through the Levy Sugar Supply (Control) Order, 1979. Under this system, every sugar mill mandatorily surrenders 10%¹ of its production to the Central Government as levy sugar, at a pre-determined price. This enables Central Government to get access to low cost sugar stocks for distribution through PDS and for supply to Army Purchase Organization (APO)/ Central Paramilitary Forces. The State agencies / FCI lift levy sugar after paying the ex-mill levy sugar price plus excise duty, sugar cess, and education cess and transport it to their godowns in respective states/Union Territories (UT). The responsibility of distribution of sugar through the Public Distribution System and maintaining

smooth operation of PDS in the State / UT lies with the respective State Government/UT Administration. The price paid to mills for levy sugar by the government is based on certain norms which take into account factors such as the average notified cane price payable by sugar mills to cane growers, the cost of conversion of cane into sugar, extra realizations made on sale of non-levy sugar stocks and the need for ensuring a reasonable return on capital employed by the industry on disposal of the entire production of sugar, both levy and non-levy or free sale.

- (ii) **Non Levy-Sugar (Free Market Price):** The sugar remaining after supplying as levy sugar (at present 90%) is allowed to be sold as non-levy sugar, which is called free-sale sugar in common parlance, by way of periodic releases (now quarterly), applicable uniformly to all sugar mills. The quantum of non-levy sugar to be released for a particular duration (now a quarter) for domestic consumption is decided by the Central Government having regard to the production, stock, requirement and prices of sugar in the country. On the basis of the non-levy (free sale) quota decided by the Central Government, monthly release orders for sale of sugar in the open market are issued. This mechanism supposedly helps keep sugar prices in open market at a stable level. In effect, the sale of entire production of sugar which is manufactured during five to six months of the sugar season is controlled and regulated for sale and distribution in a staggered manner.

(b) Methodology for Determination of Cane and Sugar Price

The Central Government fixes the Statutory Minimum Price (SMP) of sugarcane in terms of Clause 3 of the Sugarcane (Control) Order, 1966, for each sugar season. The SMP is fixed on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP) and after consulting the State Governments and associations of sugar industry and cane growers. The SMP is fixed having regard to the following factors:

- i. Cost of production of sugarcane;
- ii. Return to the growers from alternative crops and the general trend of prices of agricultural commodities;

1. At present, levy sugar is 10% and has been so for the past few years, except in 2009-10 when it was raised to 20%.

- iii. Availability of sugar to consumers at a fair price;
- iv. Price at which sugar produced from sugarcane is sold by sugar producers; and
- v. Recovery of sugar from sugarcane.

In May, 2004 the Supreme Court upheld the right of State Governments for having a specific legislation for this purpose, to fix sugarcane prices over and above the Statutory Minimum Price (SMP) declared by the Centre. The Supreme Court ruling was in response to a Special petition filed by Government of UP challenging an interim order of Allahabad High Court delivered in December, 1996, which stated that State Governments were not legally permitted to fix cane prices paid by the mills to the farmers. This order gave legitimacy to State Advisory Price (SAP) announced by UP Government.

In October, 2009, the Centre amended the Essential Commodities Act, 1955, through an Ordinance providing for fixing the levy price of sugar on a 'fair and remunerative price' to be announced by the Centre. The move raised serious concerns in the sugar industry which supplies one-fifth of its sugar production at a levy price, markedly lower than the open market price to support the public distribution system. In 2009-2010, sugar industry is set to supply 20 per cent of its production at a levy price of about Rs 13.50 a kg, fixed in 2003-04, against an open market price of about Rs 45 a kg in January, 2010. This represents a loss of revenue potential of a few thousand crore rupees to the sugar mill owners or shareholders. The Ordinance came into effect from October 21, 2009, and makes the amendments effective from October 1, 1974. As per this amendment, levy price of sugar would be computed based on a 'fair and remunerative price' for sugarcane that would be fixed by the Centre. The objective is to put in place a uniform norm to determine the levy price of sugar and ensure that when the State Governments hike the price of sugarcane, they bear the additional cost of levy on sugar as a result of the higher sugarcane price.

Prior to the amendment, the Centre announced a Statutory Minimum Price (SMP) for sugarcane to which the State Governments added an additional component of State Advised Price (SAP) to augment farmers' income. The levy price for sugar took into account the SAP to compute the of same, apart from the impact of provisions in the Sugarcane Control Order, 1966, which provides for an additional cane price at the end of the sugar season. The Ordinance amends the Essential Commodities Act, 1955, that the levy price of sugar is based on the

fair and remunerative price fixed for sugarcane by the Centre, manufacturing cost of sugar, duty or taxes paid, and securing reasonable returns on the capital employed in producing sugar. The levy price will not take into account the SAP or the additional price of sugarcane as provided under the Sugarcane Control Order, 1966.

(c) Rationale behind Deregulation on Pricing Policy

Thus by not allowing market forces of demand and supply to operate as in the case of other industries to bring about price equilibrium leads to market distortions. Mills can neither take advantage of high prices to sell the maximum possible stock nor dispose of their stock to raise cash for meeting various obligations. This adversely impacts the financial health of mills and their ability to pay sugarcane farmers in time. It also leads to speculation, litigation (with courts permitting sale of levy or regulated non-levy quota) and inaccurate reporting by mills. The Dual pricing of sugar adds to costs as stock holdings get duplicated one for PDS and the other for non-levy sugar. Mills are locked into fixed ratios of supplies and cannot hold and finance stocks at least cost, which could lower stockholding and finance charges. It is debatable how far the regulated release policy has succeeded as sugar prices have demonstrated a high degree of volatility and have risen regardless in years of poor production. In this regard it is also worth noting that there is no other agricultural commodity which is subject to such a regulated release system and even sugar is not regulated anywhere else in the world.

The stakeholders in the sugar sector, including farmer associations have requested for the removal of these two controls. It has been strongly argued that removal of these controls will lead to better financial health of the sugar mills. This will, in turn, lead to timely payments to the farmers and reduction in cane arrears. In addition to this, removal of levy obligation and the regulated release mechanism would lead to an efficient, competitive market and eliminate inefficiencies that have crept into the system. The Rangarajan Committee has, inter-alia, recommended removal of levy sugar obligation, dispensing with regulated release mechanism and rationalization of sugarcane pricing. The recommendations of the Committee are under active consideration of the Government.

VII. CONCLUSION

Sugar industry is the second largest agro-based industry in India. Sugar factories have been



instrumental in building confidence among rural people and strengthening industrial base in rural India. In the era of globalization, sugar industry needs more competitive edge which can be given by way of modernization, enhancing productivity, and manufacturing excellent quality sugar at competitive prices. It needs quality management at every level of activity to enhance its performance. If sugar industry is decontrolled it will be operating at par with other agro based industries and it will be their efficiency and paying capacity to the cane farmers that will govern the sustainability of the industry. Thus with the freedom granted to sell sugar and other products, as per demands, it will improve the efficiency of management and bring in more professionalism. It will make the industry more competitive nationally and internationally as it will be functioning on the rules of market demand and supply. The competitive market will force the industry to improve the quality of sugar and its co-products and encourage reduction in cost of production. The Indian sugar industry like in Brazil will be able to switch over to the manufacture and supply of co-products of the industry depending on the demand. Thus with the assured realization

on sugar, the factories will be able to modernize, expand, diversify and create complexes of sugar industry. The decontrol will remove the induced cycle of shortage and abundance of sugarcane and sugar created because of variations in sugar prices. Last, but not the least, it will create an affinity and link of sugarcane farmers with the sugar factories. They will be functioning as a whole. This has been the important aspect of the success of sugar cooperatives but has been eroded in recent years because of intensive controls.

Considering the necessity of deregulating the sugar pricing policy and on the basis of recommendation of Ragarajan Committee, the Government of India recently abolished the monthly release mechanism and the mills' obligation to supply levy sugar for subsidized distribution under the Public Distribution System, thus allowing market forces to come into play. However, the Centre will continue to provide sugar to the poor under the PDS. But state governments will continue to exercise controls in certain specific area over the sugar industry, such as the distance between sugar mills and the cane-purchase price. At the same time sugar producers will be able to charge whatever price the market will bear.

REFERENCES

1. A. Amarender Reddy, 'Sugar and cane pricing and regulation in India', International Sugar Journal, Vol. 113, No. 1352, August 2011 pp. 548-556, available at <<http://ssrn.com/abstract=1539964>> (Accessed on March, 2013)
2. A. Deulgaonkar, 'Crisis in Sugar Industry', Frontline, 20 December to 02 January 2004, available at <<http://www.hinduonnet.com/fline/fl2026/stories/20040102003703100.htm>> (Accessed on March, 2013)
3. Adya Prasad Pandey, 'Indian Sugar Industry - A Strong Industrial Base for Rural India', available at <<http://mpira.ub.uni-muenchen.de/6065/>>(Accessed on March, 2013)
4. Abhijit Sen Committee Report, 'The Impact of Futures Trading on Agricultural Commodity Prices', Ministry of Consumer Affairs, Food & Public Distribution, Government of India.' (2008)
5. India's Sugar Industry: Analyzing Domestic Demand and Recent Trends, available at <<http://agritrade.iift.ac.in/>>(Accessed on March, 2013)
6. Indian Sugar Industry (2012) available at <<http://www.careratings.com/Portals/0/ResearchReports/TableofContentIndianSugarIndustry.pdf>>(Accessed on March, 2013)
7. Indian Sugar Sector Network Report Sector Overview and SWOT Analysis, available at <<http://sinetinfo.com/pdf/chapters/sugar1.pdf>>(Accessed on March, 2013)
8. Jayantilal B. Patel, 'The Cooperative Sector –Implications of Decontrol', available at <<http://www.kingsmanconferences.com/india2010/presentations/Jayantilal%20Patel.pdf>>(Accessed on March, 2013)
9. M Rais, 'Financial Ratios and Industrial Sickness: A Study of Sugar Industry In Uttar Pradesh,' Ph.D. Thesis, Indian Institute of Technology, Kanpur, India (1990)
10. Mahajan Committee Report, Department of Food and Public Distribution, Government of India (1998)
11. Mala Lalvani, 'Sugar Co-operatives in Maharashtra: A Political Economy Perspective', available at <http://www.mu.ac.in/arts/social_science/old%20economics/WP21.pdf>>(Accessed on March, 2013)
12. Report of the Committee on the Regulation of Sugar Sector in India: The Way Forward (2012), available at <<http://pib.nic.in/archieve/others/2012/oct/d2012101203.pdf>>(Accessed on March, 2013)
13. Sakshi Balani, 'Report Summary: Report of the Committee on the Regulation of Sugar Sector in India: The Way Forward, available at <<http://www.prsindia.org/parliamenttrack/report-summaries/regulation-of-sugar-sector-in-india-2520/>>(Accessed on March, 2013)
14. The Indian Sugar Industry-Sector Roadmap 2017, available at <<http://www.feagri.unicamp.br/energia/KPMG%20Report%20Exec%20Summary.pdf>>(Accessed on March, 2013)
15. Tuteja Committee Report, Revitalization of the Sugar Industry, Government of India (2004)
16. V.B. Jugale, 'Sugarcane Pricing: Policy, Procedure and Operations', Atlantic Publishers and Distributors, New Delhi (2000)

Measuring Service Quality in Insurance Sector

Upendra Singh Panwar

Dr. Anukool Manish Hyde

ABSTRACT

The service quality has become a highly instrumental co-efficient in the aggressive competitive marketing. For firm's success and survival in today's cut throat competitive environment, delivering quality service is of supreme importance for any economic enterprise. Quality generally refers to something done by human beings at a very high level of excellence, often-times in the sense of works of perfection as being distinctive from inferior mediocre performance. This is the sense in which quality will be used here. There is another sense of 'quality' as being a continuum from very poor to excellent.

This is an empirical study where primary data has been collected through a scale of Parasuraman, Zeithml, and berry 1986, 1988). The scale has been administered on 180 customers of Nationalised Insurer, chosen on a convenient basis. The purpose of this paper is to evaluate the service quality of government owned Insurance, based on different levels of 'customers' perception regarding service quality. This paper will make a useful contribution given that there are only a few studies dealing with the assessment of service quality in government insurance sector.

Keywords: Service quality, Life insurance, Perception, Critical factors, Customer services quality, Customer satisfaction, Insurer, Nationalized Insurer, Customer, and Customer relations.

INTRODUCTION

In recent years, there has been a renaissance of concern in services due to their growing significance in both developed and developing countries (Hubner, 1997; Hunerberg and Mann, 1997; Keegan and Schlegelmilch, 2001; Muhlbacher et al., 1999). Over the past decades, the share of GDP attributable to services has continuous growing in many countries and accounts for more than 60% of the world output today (Kotabe and Helsen, 2004). This trend is bound to carry on in the future.

Quality refers to something done by human-beings at a very high level of superiority, often-times in the sense of works of perfection as being distinctive from inferior mediocre performance. This is the sense in which quality will be used here. There is another sense of 'quality' as being a scale from very poor to excellent. All stages of the continuum are part of 'quality' in that they all express some level of attainment of quality even if in the inferior ranges. This sense is not helpful if what one wants to concentrate on is the 'best' effort as distinct from all efforts.

Service quality

In general, the quality is basically classified into five categories, viz. transcendent, product led, process or supply led, customer led and value led. The definition of service quality is based on customer-led quality definition where quality is defined as

satisfying customer's requirements (Deming, Juran, Feigenbaum and Ishikawa), relying on the ability of the organization to determine customers' requirements and then meet these requirements.

The service industries are mostly customer driven and their survival in competitive environment largely depends on quality of the service provided by them. In this context, quality of service furnished by banking sector is very important and profitability of their business is closely connected to the quality of service they render.

REVIEW OF LITERATURE

Astrid A. Dick (2007) found in his research on "Market Size, Service Quality, and Competition in Banking", that Quality increases with market size and Dominant banks provide higher quality than do fringe banks. Moreover, dominant banks in larger markets provide higher quality than do dominant banks in smaller markets; also Banks do not carve out areas within the relevant geographic banking market, but rather compete with each other closely. However, in terms of the product market, dominant and fringe banks might focus on a few different sectors.

Andreas Soteriou, Stavros A. Zenios (1997) study on "Efficiency, Profitability and Quality of Banking Services" indicated that superior insights can be obtained by analyzing simultaneously operations, service quality and profitability simultaneously, than the information obtained from benchmarking studies of these three dimensions separately.

*Faculty, Shri Govindram Seksaria, Institute of Science and Technology, Nehru Park Road, Indore (MP). **Residential Address-** C/o Dr. Anukool Manish Hyde 127, Sharma Enclave, Vandana Nagar, Indore (MP) Pin- 452018

**Associate Professor and HOD-HR, Prestige Institute of Management and Research, 2, Education and Health Sector, Scheme No. 54, Indore (MP), Pin- 452010 Residential Address- 127, Sharma Enclave, Vandana Nagar, Indore (MP), Pin-452018



Bolton and Drew (1994) in their research on “Linking Customer Satisfaction to Service Operations and Outcomes,” in *Service Quality*, found that there is a difference between a single encounter and the total service experience and in that regard stated: “In a dynamic framework, customer satisfaction with a specific service encounter depends on pre-existing or contemporaneous attitudes about service quality and customer post-usage attitudes depend on satisfaction.”

Berry (1995) in his study, the amount of money that is typically invested in an insurance policy, customers seek long-term associations with their insurance companies and particular agents in order to reduce risks and qualms

Carme Saurina and Germà Coenders (2002) in their empirical study “Predicting Overall Service Quality. A Structural Equation Modeling Approach” suggests that satisfaction and quality are the same construct in the context of banking services in the country of Girona. Customers seem not to perceive the minor differences between the conceptual definitions of both concepts as given by marketing theoreticians.

Crosby and Stephens (1987) in their research, said that the life insurance purchase output are often delayed, and thus does not allow immediate post-purchase valuation. As such, overall satisfaction can't be immediately measured through reaction towards purchase. This situation is more obvious as the future benefits of the “product” purchased are difficult to foresee and take a long time to “prove” its effects.

Frances X. Frei, Ravi Kalakota (1997) and Leslie M. Marx in their study of “Process Variation as a Determinant of Service Quality and bank Performance” Evidence from the Retail Banking that while aggregate process performance seems to have an effect on firm performance it has no effect on customer satisfaction. However, one of the striking findings of their paper is the persistent and statistically significant positive effect of process variation on firm performance. This finding suggested that service processes with consistent (low variation) process performance can play a role in helping firms deliver high firm performance. This partly explains how smaller banks, going against conventional wisdom, have been able to achieve higher overall firm financial performance than their larger competitors, who have a much higher asset base and more diverse service delivery channels.

Gronroos (1984) in his study, the insurance companies offer services that are acceptance products with

very little cues to signal quality. It's suggested that consumers usually rely on the extrinsic cues like brand image to ascertain and perceive service quality. So this factor is especially true for a “pure” service such as insurance, which has very low tangible aspects of its quality and is highly relational during most transactions. There is also lack of price signal in the market due to specialized customer needs and some difficulty in comparing prices; thus consumers cannot rely solely on price as an extrinsic cue to signal quality.

Johnston *et al.*, (1984) in their study, infrequent acquiring and “usage” of insurance credence products by consumers would mean an inability or complexity in forming service expectations due to inadequate understanding of and familiarity with the service

Slattery, (1989) in his study found that the quality of the agent's service and his relationship with the customer serves to either alleviate or exaggerate the perceived risk in purchasing the life insurance product. Putting the customer first, and, exhibiting trust and integrity have found to be an important aspect in selling insurance.

Sherden (1987) in his research found that high quality service (defined as exceeding “customers' expectations”) is rare in the life insurance industry but increasingly demanded by customers.

Toran (1993) in his research, pure services like insurance may, therefore, conjure different expectations than that of services that include tangible products.

RATIONALE

Due to globalization the service sector of the global economy grows, due to which, the study of services and innovation are becoming ever more important. Service products are spread over regionally, nationally, and globally have become larger portion of company income; knowledge-intensive business services aimed at enhancing act require trustworthy methods of measurement, assessment, and improvement. As a result, accurate and reliable instruments that assess service quality are of great interest to companies whose revenues come from service delivery. Perhaps the most popular and widely used service quality instrument is SERVQUAL. Also business operations are not whole without discussion about insurance; hence it is critical to know the service quality of this sector. This study would be measuring the service quality of government insurance , through the consumer.

OBJECTIVE

1. To study Service Quality among Government Insurance customers with respect to qualification.
2. To measure the Service Quality among customers of Government Insurance with respect to gender.
3. To study the level of Service Quality amongst Government Insurance customers with respect to age.

HYPOTHESIS

H₀₁: There is no significant difference in Service Quality amongst Government insurance customers with respect to qualification .

H₁₁: There is a significant difference in Service Quality amongst Government insurance customers with respect to qualification.

H₀₂: There is no significant difference in Service Quality of Government insurance with respect to age.

H₁₂: There is a significant difference in Service Quality of Government insurance with respect to age.

H₀₃: There is no significant difference in Service Quality amongst Government insurance customers with respect to gender.

H₁₃: There is a significant difference in Service Quality amongst Government insurance customers with respect to gender.

METHODOLOGY

- (a) Sampling Technique: Convenient.
- (b) Sampling Unit: Customers of Government Insurance .
- (c) Sampling Size: 181 from Government Insurance .
- (d) Tools for Data Collection: Service Quality scale SERVQUAL of (Parasuraman, Zeithml, and berry 1986, 1988).

Tools for Data Analysis: Normality test, t- test.

Reliability of the Measure: Reliability of the measure was assessed with the use of cronbach's alpha on all the 22 items. Cronbach's alpha is designed as a measure of internal consistency that is all the items within the instrument measure the same thing. It allows us to measure the reliability of different variables. It consists of estimates of how much variation in scores of different variables is attributable to change or random errors (Selltiz et al. 1976). As a general rule, a coefficient greater than or equal to 0.7 is considered acceptable and

a good indication of construct reliability (Nunnally 1978). The Cronbach's alpha for the questionnaire is (1.18). Hence, it is reliable and can be used for analysis.

Kolmogorove- Smirnov test is performed to examine if the values follow normal distribution. This test is essential to compare the averages of respondents. The result of the test (table 1) shows that values in individualist and collectivist behaviors among customers of banks follow normal distribution hence t-test can be used for comparing means.

Table 4 shows that the mean, median and mode for all the 22 dimensions of service quality are almost likely the same. This means that the data were approximation to a normal distribution.

A total of 180 respondents were selected out of which 126 were male and 54 were female. Also 88 were in age group of 20-30 and 62 were in age group of 30-40, 20 in 40-50 and 22 were Graduate and 94 were Post Graduate and 64 were above PG. The tool was evenly distributed among all age group and among both gender of all qualification i.e. graduate and post graduate and above PG.

RESULT AND ANALYSIS

Testing of Hypothesis 1, (Based on Qualification)

There is no significant difference in service quality qualification wise i.e. graduate and post graduate and above post graduate as the significance value here is .418 which is more than .05, which means there is no significant difference between the perception of different qualification wise for the service quality provided by the government insurance company, so the hypothesis H₁₁ fails. This shows that there is no significance difference in the perception of graduate and post graduate and above PG and service provided to all sections of qualification should be same.

When we analyze by different qualification wise then result shows that Graduate and PG significance is .402, Graduate and above PG is .693, PG and above PG is .79 which all are above the value of .05, which itself describes no significance difference qualification wise.

Vasanthakumari P. in the study "Customer satisfaction: A comparison between new generation banks and Old generation banks" found out from the study that there is no significant difference in the service quality perception of customers with respect to their level of education The average service quality score of respondents who have had education up to school level is 105.333, that for respondents who have



had education up to college level is 101.727 and that for respondents who have had professional education is 96.167

Testing of Hypothesis 2, (Based on Age)

The result shows that service quality of different age group of 20-30, 30-40, 40-50, 50-60 and above 60 is .268 which is more than .05 that means there is no significant difference between the service qualities of this age group, This means service provided to all age group should be same. so the hypothesis H_{12} fails.

When we analyze by different age wise group then result shows that:

Age between: 20-30 and 30-40 is .564, 20-30 and 40-50 is .884, 20-30 and 50-60 is .98, 20-30 and 60 and above is .74, 30-40 and 40-50 is 1, 30-40 and 50-60 is .74, 30-40 and 60 and above is .525, 40-50 and 50-60 is .83, 40-50 and 60 and above is .57, 50-60 and 60 and above is .918 which all are above the value of .05, which itself describes no significance difference age wise.

Uma Sankar, Mishra Kalyan Kumar Sahoo et.al (2010) in their study of "Service Quality Assessment in Banking Industry of India: A Comparative Study between Public and Private Sectors" The analysis of responses clearly reveals that there exists no perceptual difference among customers regarding overall service quality with their respective banks.

Vasanthakumari P. in study "Customer satisfaction: A comparison between new generation banks and Old generation banks" found out from the study that there is no significant difference in the service quality perception of customers with respect to their age. The average service quality score of respondents with age up to 40 is 98.200 and that for age 40 plus is 103.000.

Testing of Hypothesis 3, (Based on Gender)

Result shows that there is significant difference in the service quality with respect to the gender i.e. Male and Female. This difference is .031 which is less than .05 so there is significant difference between the values of the gender wise, so the hypothesis H_{13} passes. The reason can be because of the working nature of most of the males and females.

CONCLUSIONS

This paper explores the service quality of insurance from customer's perspective. It is observed that there is no significance difference between customer's age wise, qualifications wise but there is significant difference with respect to the gender. A 22-dimension model using 't' test analysis is used for measuring the overall service quality of insurance. The result indicates that the dimensions, viz. 'Gender' 'Qualification' are not controlling factor significantly towards the overall service quality. But 'Age' wise there is significant difference

This is an implication that the insurance provider should provide service's same to all the consumers on this dimensions. It is observed that the opinion of especially male and female, is different. But different age group, and of different qualification does not differ from each other. So while designing any strategy then, male and female should be designed separately. But different age group, and of different qualification should be considered and perceived same and decisions should be made same for all.

The limitation of this study is that the result should not be generalized, as the service quality of insurance has been tested in some parts of the Indian states only. Furthermore, a small sample may not be the representative of the whole population and hence, in future, the research can be conducted by taking a large sample to facilitate a robust examination of the service quality of the insurance. The future study can also be conducted to identify the relative importance of each dimension. The extension of this study can also include the providers (insurance) perspective to have a better understanding of the problem domain. Validation of model and extension of the results to other industries and also to different cultures are some of the future directions in which the academics and the practitioners can work with to enrich the service quality literature in insurance.

SUGGESTIONS

It is found out from the study that, Since no significant differences were found in the service quality levels of respondents when analyzed age wise and education level wise, it is evident that separate promotional schemes may be designed generally for the gender wise set of customers of the insurance. This information will lead to reduction of expenses on account of separate promotional schemes based on different segments of qualification and age wise of the market.

BIBLIOGRAPHY

1. Dr. S.P. Singh and Ms Sunayna Khurana (2011), "Analysis of service quality gap and customers' Satisfaction in private banks Gurukul Business Review (GBR), Vol. 7 (Spring 2011), pp. 13-18.
2. Sandhu H. S and Ms. Bala Neetu (2011), "Customers Perception towards Service Quality of Life Insurance Corporation of India: A Factor Analytic Approach" International Journal of Business and Social Science, Vol. 2 No. 18.
3. Uma Sankar, Mishra Kalyan Kumar Sahoo et al. (2010),"Service Quality Assessment in Banking Industry of India. European Journal of Social Sciences,Volume 16, Number 4, pp. 659-665.
4. Hernan E. Riquelme, Khalid A. Mekkaoui (2009,"Internet Banking Customer Satisfaction and Online Service Attributes" JIBC, Vol. 14, No. 2 – 5, pp. 3-4.
5. Khong Kok Wei (June 2009), "Service Quality Index: A Study on Malaysian Banks", Contemporary Management Research, Vol. 5, No. 2,,pp. 109-124, pp. 11-13.
6. Khan Sadique Mohammed and Siba Sankar Mahapatra (2009), Customer perception on service quality in retail banking in Middle East: the case of Qatar Int. Journal of Indian Culture and Business Management, Vol. 2, No. 1.
7. Landrum Hollis , Victor Prybutok et al.(2009),Measuring System Service Quality with SERVQUAL: Users' Perceptions of Relative Importance of the Five SERVPERF Dimensions the International Journal of an Emerging Transdiscipline, Volume 12.
8. Mohammed Hossain and Shirley Leo (2009), "Customer perception on service quality in retail banking in Middle East: the case of Qatar" International Journal of Islamic and Middle Eastern Finance and Management Vol. 2 No. 4, pp. 338-350.
9. Astrid Dick A. (February 2007) Market Size, Service Quality and Competition in Banking, Journal of Money, Credit and Banking, Vol. 39, No. 1, pp. 17-27.
10. Eboli Laura and Gabriella Mazzulla (2007), Service Quality Attributes Affecting Customer Satisfaction for Bus Transit, Journal of Public Transportation, Vol. 10, No. 3, pp. 29-31.
11. Howcroft, Barry, Robert Hamilton, and Paul Hewer (2002), "Consumer Attitude and the Usage and Adoption of Home-Based Banking in the United Kingdom," International Journal of Bank Marketing, 20/3, pp.111-121.
12. Saurina Carme and Germà Coenders (2002), Predicting Overall Service Quality: A Structural Equation Modelling Approach. Metodološki zvezki, 18, Ljubljana: FDV.
13. Ahmad jusoh, Siti zaleha et al. (2004), Service quality in higher education: Management students' perspective reserch, Management Centre University of technology Malaysia.
14. Andreas Soteriou Stavros, A. Zenios (1997),"Efficiency, Profitability and Quality of Banking Services" Working Paper Department of Public and Business Administration University of Cyprus, Nicosia, CYPRUS. Pp. 21-26.
15. Frances X. Frei, Ravi kalakota, Leslie M. Marx (1997), Process variation as a determinant of service quality and bank performance: evidence from the retail banking study working paper series, pp. 20-22.
16. Kendrick Michael (1997), "The Leadership Challenge of Service Quality", Interaction, Vol.11, Issue 1, pp. 8-12.
17. Bolton, Ruth N. and James H. Drew (1994), "Linking Customer Satisfaction to Service Operations and Outcomes in Service Quality", R. Rust and R. Oliver, eds. Thousand Oaks, CA: Sage Publications, pp. 173-200.
18. Parasuraman, A Valarie, Zeithaml, and Leonard L. Berry (1985), "A Conceptual Model of Service Quality in its Implications for Future Research," Journal of Marketing, 49 (fall), pp. 41-50.
19. Vasanthakumari P. (2007), "Customer satisfaction: A comparison between new generation banks and Old generation banks" Vijnanacintamani e-journal, Issue 2, pp. 1-4.
20. Gronroos, C. (1984), A service-oriented approach to marketing of services. *European Journal of Marketing*, 12 (8), pp. 588-601.
21. Crosby, L. A. & Stephens, N. (1987). Effects of relationship marketing on satisfaction, retention, and prices in the life insurance industry, *Journal of Marketing Research*, 24(November), pp. 404-411.
22. Johnston, E. O., O'Connor, R. J. & Zultowski, W. H. (1984), The personal selling process in the life insurance industry, in J. Jacoby, & C. S. Craig (Eds.), *Personal Selling: Theory, Research and Practice*, Lexington, MA: Lexington Books,pp. 136-164.
23. Berry, L. L. (1995),Relationship Marketing of Services–growing interest, emerging perspectives. *Journal of the Academy of Marketing Science*, 23 (Fall), pp. 236-245.
24. Toran, D. (1993), Quality service (quality everything!). *LIMRA'S Market Facts*, 12 (2), pp.10-11.
25. Slattery, T. (1989), Special report: Nichols: we've forgotten the consumer,*National Underwriter*, 48 (November), 11.
26. Sherden, W. (1987), The erosion of service quality, *Best's Review*, 88 (5), 22.



APPENDICES

Table-1: Qualification:

ANOVA

VAR00001

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	402.830	2	201.415	.876	.418
Within Groups	40687.614	177	229.874		
Total	41090.444	179			

Multiple Comparisons

Dependent Variable: VAR00001

Tukey HSD

(I) VAR00002	(J) VAR00002	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
GRAD	PG	4.6354	3.59086	.402	-3.8519	13.1227
	ABOVE PG	3.0639	3.74707	.693	-5.7927	11.9205
PG	GRAD	-4.6354	3.59086	.402	-13.1227	3.8519
	ABOVE PG	-1.5715	2.45708	.798	-7.3790	4.2361
ABOVE PG	GRAD	-3.0639	3.74707	.693	-11.9205	5.7927
	PG	1.5715	2.45708	.798	-4.2361	7.3790

Table-2: Gender wise

Group Statistics

	VAR00002	N	Mean	Std. Deviation	Std. Error Mean
VAR00001	MALE	126	97.6349	16.29508	1.45168
	FEMALE	54	93.6667	11.73931	1.59752

Independent Samples Test

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
VAR00001	4.703	.031	1.618	178	.108	3.9683	2.45327	-.87299	8.80950
			1.838	137.047	.068	3.9683	2.15857	-.30016	8.23667

Table-3: Age Wise

ANOVA

VAR00001

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1195.525	4	298.881	1.311	.268
Within Groups	39894.920	175	227.971		
Total	41090.444	179			

Multiple Comparisons

Dependent Variable: VAR00001

Tukey HSD

(I) VAR00002	(J) VAR00002	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
20-30	30-40	3.7603	2.50350	.563	-3.1405	10.6610
	40-50	3.4909	3.74020	.884	-6.8187	13.8005
	50-60	-3.1591	5.57557	.980	-18.5277	12.2096
	60 ABOVE	-13.1591	10.79704	.740	-42.9204	16.6022
30-40	20-30	-3.7603	2.50350	.563	-10.6610	3.1405
	40-50	-.2694	3.88272	1.000	-10.9718	10.4331
	50-60	-6.9194	5.67215	.740	-22.5542	8.7155
	60 ABOVE	-16.9194	10.84723	.525	-46.8190	12.9803
40-50	20-30	-3.4909	3.74020	.884	-13.8005	6.8187
	30-40	.2694	3.88272	1.000	-10.4331	10.9718
	50-60	-6.6500	6.31624	.830	-24.0603	10.7603
	60 ABOVE	-16.6500	11.19750	.572	-47.5151	14.2151
50-60	20-30	3.1591	5.57557	.980	-12.2096	18.5277
	30-40	6.9194	5.67215	.740	-8.7155	22.5542
	40-50	6.6500	6.31624	.830	-10.7603	24.0603
	60 ABOVE	-10.0000	11.93658	.918	-42.9023	22.9023
60 ABOVE	20-30	13.1591	10.79704	.740	-16.6022	42.9204
	30-40	16.9194	10.84723	.525	-12.9803	46.8190
	40-50	16.6500	11.19750	.572	-14.2151	47.5151
	50-60	10.0000	11.93658	.918	-22.9023	42.9023

Table-4

One-Sample Kolmogorov-Smirnov Test		
		VAR00001
N		180
Normal Parameters ^a	Mean	96.4444
	Std. Deviation	15.15109
Most Extreme Differences	Absolute	.089
	Positive	.062
	Negative	-.089
Kolmogorov-Smirnov Z		1.189
Asymp. Sig. (2-tailed)		.118
a. Test distribution is Normal.		

Analysis of Line Extension Done By Various Competing Brands in Toothpaste Segment and Its Impact on Consumers' Mind-Set

Mrs. ANUPAMA C DAVE*

Dr. SARIKA SRIVASTAVA**

ABSTRACT

Abstract:

In India the potential for growth of toothpaste segment is high especially in the urban markets as the consumption/usage in India is stumpy as compared to the other countries. The usage of toothpaste in developed countries like USA and England is 375 gms per person annually while in Indian cities it is just about 190gm. Colgate Palmolive, Hindustan Lever Limited and Dabur India are among the leading toothpaste brands in Indian market holding nearly 85 % market share.

The competition is very high and in order to brawl competition and to create differentiation, common tool adopted by many of these leading players is of introducing product line extensions i.e. adding new flavors, forms, colors, added ingredients, package sizes in the similar product category with same brand name.

This study aims to analyze the impact of line extensions on consumers' mindsets i.e. brand awareness, brand association, brand attitude, brand attachment and brand activity.

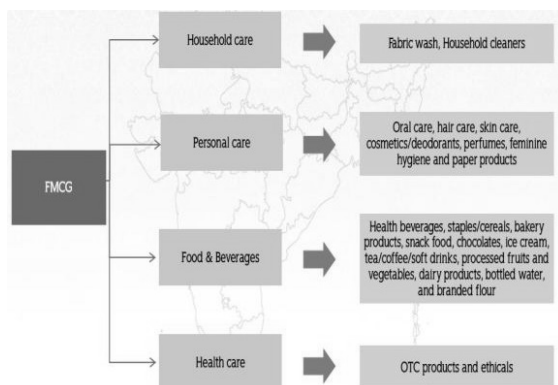
Keywords: Line Extension, Toothpaste, Consumer's Mindset

ORAL CARE MARKET IN INDIA

In the Indian economy Fast Moving Consumer Goods (FMCG) segment is the 4th largest sector. This sector is expected to grow between 12 to 17 % up to 2020 and market size would touch between Rs. 4,000 to Rs. 6,200 billion as per the survey done by Booz & Company. The FMCG

sector can be mainly alienated into four segments and oral care is classified under the personal care segment which is one of the main segments of FMCG sector. Indian oral care market is ruled by "big three" FMCG players i.e. Colgate-Palmolive, Hindustan Unilever Limited (HUL) and Dabur in the past decades both in terms of value & volume.

Figure 1: FMCG Segments



(Note: OTC is over the counter products, ethicals are a range of pharma products.) Source: HUL

Figure 2: Market share of companies in a few FMCG categories

	Market Leader	Others			
Hair Oil	marico 42%	Dabur 15%	raj 8%	emami 5%	
Shampoo	Hindustan Unilever Limited 46%	P&G 24%	CavinKare 10%	Dabur 6%	
Oral care	Colgate 50%	Hindustan Unilever Limited 23%	Dabur 13%		
Skin care	Hindustan Unilever Limited 59%	Dabur 7%	emami 7%	L'ORÉAL 6%	
Fruit Juice	Dabur 52%	PEPSICO 35%			

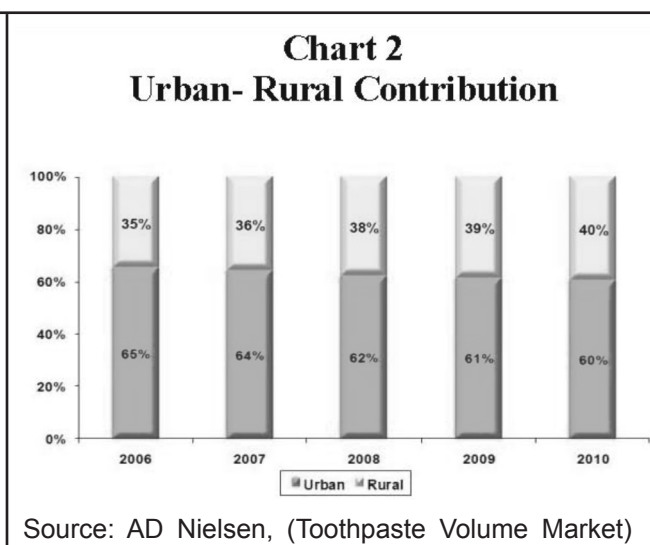
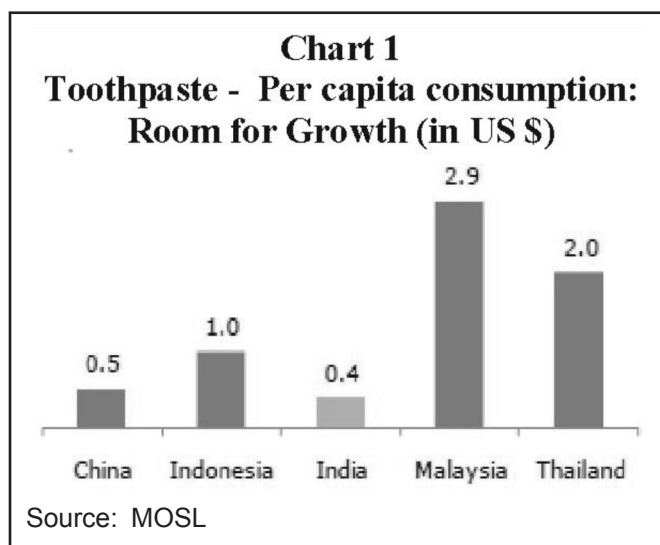
Source: <http://www.ibef.org/download/FMCG50112.pdf>

Assistant Professor, Marwadi Education Foundation Group of Institutions, Rajkot Faculty of Management, Prof Anupama Chirag Dave Gayekwadi Street-1A, Manish, Near Sadhuvasvani Hospital, Rajkot -360001, Ph.: 9909647520
Assistant Professor, Gujarat Technological University, Ahmedabad (Gujarat) D-19, IFFCO Kalol Township P.O. Kasturinagar Distt. Gandhinagar (Gujarat) Pincode-382423 Ph.: 09724359232, 079-23285260

Oral care market has three bifurcations namely: toothpaste covering around 60 % of market, toothpowder constituting 23 % and toothbrush covering around 17 %. In case of toothpaste: 60 % toothpaste is sold on family platform and around 35 % of toothpaste is sold on cosmetic propositions. While in case of toothpowder: red toothpowder accounts for 40 % and black toothpowder accounts 8 % of the market.

There is huge room for growth in the per capita consumption of toothpaste as the usage pattern of Indian consumers in comparison to developed countries is meager i.e. in developed countries 97 % of the population uses at least one variety of

toothpaste, 87 % of population are habituated of brushing twice a day and frequency of usage for toothpaste is 2 times while in India only around 55 % of population use toothpaste, 15 % have the habit of brushing twice a day and usage for toothpaste in terms of frequency is only 1.5 times. Hair oils, toothpastes and shampoos have started penetrating significantly in both urban and rural markets now-a-days. In case of toothpaste in the Indian urban regions the penetration level is more as compared to the rural region, because still natural items such as salt, twigs of Neem tree and ash is predominantly preferred in rural areas as tooth cleaning agents.



Besides this purchasing power of the Indian consumers is showing a persistent raise as the per capita income of India has improved from Rs 18,885 in 2002-03 to Rs 54,527 in FY'11 and awareness among the consumer is increasing rapidly. These factors can contribute towards the growth of oral care market of India.

LITERATURE REVIEW:

Moreau et al. (2001) conducted a study -“*Entrenched Knowledge Structures and Consumer Response to New Products*” and it was found that consumer knowledge of the parent and extension categories come into play to influence extension. Kirmani et al. (1999) in a survey found the impact of ownership effect on success of brand line extension i.e. current owners generally had more favorable responses to product line extensions. Speed (1998) found that if the line extension was of a lower quality then cannibalisation could occur. The level of consumer motivation towards the purchase also moderates

the effects of an extension on family name dilution (Gurlan-Cali and Maheswaran, 1998). Reddy K. Srinivas et. al (May, 1994) in a study “*To Extend or Not to Extend: Success Determinants of Line Extensions*” found that line extension are successful when the product is the first in entering into a product subcategory, more advertisement and promotional budgets are spent to spread the awareness, besides this firms size and marketing efforts also matters a lot in the success of a line extension.

Reddy (1994) showed that line extensions of strong brands are more successful than weak brands and that the incremental sales of a line extension may help compensate for cannibalisation of the parent brand. According to University of Minnesota Consumer Behavior Seminar (1987), empirical evidence and research suggested that positive associations with a parent brand are transferred to its line extensions success. It was also found that in comparison to less dominant brands an extension of a much dominant brand can leverage positive association.

RATIONAL FOR THE STUDY:

The toothpaste market is fiercely competitive but gaps and platforms are always available. To fill in these gaps line extensions are done by the competing brands. The aim is to retain their current customer base as well as to attract new set of users. Per capita consumption of toothpaste is very less in India and for this reason there is immense scope of growth opportunity. Hence it becomes necessary for the marketer to recognize the need of the consumers and understand the impact of line extensions on consumers' mind-set.

RESEARCH METHODOLOGY:

The research design used for the study was exploratory & descriptive in nature. Close ended questionnaire containing Likert scale & multiple choice questions was used as the research instrument to collect the primary data. For collection of secondary data official websites of the company, various journals, and magazines were used. Sampling area was Gandhinagar and researchers used non-probability convenience sampling technique to collect data from 100 respondents. The research period was of 3 months from December 2012 to February 2013. SPSS and MS-Excel software were used to calculate frequency and percentage for analysis purpose. Chi-square test was used for hypothesis testing.

OBJECTIVES OF THE STUDY:

To analyze the line extensions done by the leading toothpaste brands in India.

To find the impact of such line extensions on the consumers mindset.

DATA ANALYSIS:

Analysis of Line Extension in Toothpaste Category:

Study of extensions done by various toothpaste brands is done by collecting data concerning PODs, USP, Target market and Positioning of various product lines. Where, Points-of Difference (PODs) are attributes or benefits that consumers strongly associate with a brand/product. PODs are generally used to show 'product differentiation' i.e. how the company's product or line extension differs from that of its competitor's product or line extension. Contrary to this the concept of Unique Selling Proposition (USP) is the one that explain that an advertisement should give customer a compelling reason to buy a product that competitor could not match. And positioning is creating a distinct image of product/brand in the target customer's minds.

(a) Colgate- Palmolive

"Hall of Fame" was presented to Colgate for being the only brand to be in the Top 3 consistently for the last 10 years. "Colgate" was voted as "The Most Trusted FMCG Brand" as per Brand Equity Annual survey 2010. In the toothpaste market Colgate Dental Cream is the largest distributed product as on May 2011. Among the line extensions in the toothpaste category seal of acceptance is granted by Indian Dental Association (IDA) to Colgate Total and Colgate Sensitive Toothpaste.

Table 1: Line Extensions-Colgate

Extension	POD/USP	Target Market/Positioning
Colgate Dental Cream	<ul style="list-style-type: none"> - Has a Mint taste - All-around tooth decay prevention 	" suraksha chakra "
Colgate Total 12 March 07, 2005)	<ul style="list-style-type: none"> - 12 hour protection from germs - Clean Teeth, Mouth: Tooth Protection from Plaque, Gingivitis, Bad Breath 	To increase consumer awareness it leveraged "12" as an umbrella positioning
Colgate Sensitive Toothpaste	<ul style="list-style-type: none"> - Fights pain by desensitizing nerves - Complete Action for sensitive teeth 	Targeted segment- Customers having sensitive teeth
Colgate Sensitive Pro-Relief (June 8, 2011)	<ul style="list-style-type: none"> - Pain Reliever - Toothpaste for Sensitive Teeth, Tooth Pain Relief 	Provides instant and effective long lasting relief from Sensitivity (Clinically proven 1st and only toothpaste)
Colgate MaxFresh gel: (January 30, 2006)	<ul style="list-style-type: none"> - Cooling crystals that dissolve in the mouth - Fresh Breath with cooling crystals (Ads containing bollywood stars and cricketers to attract target segment) 	Targeted segment -Achievement-oriented youth

Colgate Fresh Energy Gel	<ul style="list-style-type: none"> - Contains Iccool gel for cool fresh breath - Toothpaste that prevents bad breath and provides minerals for strong teeth 	Youngsters
Colgate Herbal (September 2000)	<ul style="list-style-type: none"> - Natural herbs for strong teeth - Advertisement containing animated cartoon character called gillu 	Targeted at semi-urban and rural towns
Colgate Cibaca Family	<ul style="list-style-type: none"> - Refreshing minty flavour - Stronger Teeth, Fresh Breath for your family 	Targeted the entire family
Colgate Active Salt: (August 17, 2005)	<ul style="list-style-type: none"> - Minty taste, has power of active salts - Fights Gum for healthy gums & teeth 	The first and only toothpaste in India that have salt
Colgate Max Fresh: (2006)	<ul style="list-style-type: none"> - Crystal Mint - For whitening teeth & cavity protection 	Freshness

Source: <http://www.colgate.co.in/app/Colgate/IN/OralCare/ToothPastes.cvsp>

(b) Hindustan Unilever Limited:

HUL was ranked as being 17th out of top 100 most trusted brands in India as per "Brand Equity Survey, 2011". Forbes in its latest issue published the list of 'The World's Most Innovative Companies' and Hindustan Unilever Limited (HUL) was ranked at the sixth position. HUL has coverage in around 1.5 m outlets in India, 2700+ distributors. HUL offers two brands of toothpaste: CloseUp and Pepsodent under both brands line extensions have been introduced by the company.

CloseUp brand has always been positioned as begin toothpaste that is synonymous with 'Freshness' which helps in getting social approval and gives confidence to be close to someone. CloseUp targets

every person who is young at heart and hence the brand has always supported itself with youthful communication containing elements of fun, music, song and dance. CloseUp was the first offering of HUL in oral care segment and the first gel toothpaste in India which was launched during 80's. CloseUp has remained the leader in gel-segment for almost 3 decades. Pepsodent is a 15 years old brand which was launched in 1993 in India. Pepsodent has always positioned itself as being an oral care expert which helps in protecting teeth against cavities, gives fresh breath, strong teeth, and healthy gums. It offered solution to day-to-day problems like bleeding gums and sensitive teeth. Pepsodent brand is being endorsed by the largest dental association FDI.

Table 2: Line Extensions -CloseUp and Pepsodent (c) Dabur:

Extension	POD/USP	Target Market/Positioning
Closeup Red	Gel toothpaste spicy red flavour	Toothpaste offering the benefit of fresh breath
Closeup Lemon Mint (2002)	Combination of cool citrus and mint	Long lasting freshness
Closeup Menthol	Cool menthol flavour	Long lasting freshness
Closeup Milk Calcium (2006)	Contains milk calcium	Nutrient for strong teeth, and fresh breath
Pepsodent Germicheck+ (early 1990's)	In 2 minutes it removes germs up to 95% Checking/controlling the deleterious effects of germs on oral health.	Phrase "Germicheck" was coined to indicates toothpaste that checks germs
Pepsodent Whitening (2004)	Contains Perlite (A clinically proven polishing agent that whitens teeth).	Healthy White Teeth for your family It has a sporting a fresh mint flavor
Pepsodent 2in1	It was a mixture of gel & paste i.e. benefits of 2 in one paste	Targeted at the health-conscious housewives



Pepsodent Center Fresh	Toothpaste that fights germs and also contains mouthwash.	“Protection Outside Freshness Inside”
Pepsodent Gum Care	Stops bleeding gums -“Keetanuon se laden, khon rokne mein madad karen”	Pepsodent Gum Care with gum guard
Pepsodent Sensitive	Relieves pain from sensitive nerves inside teeth & gum	Target: customers having tooth/gum problems

Other variants of Closeup are Close Up Crystal Frost Winter Blast (crystal frost granules that give icy cool freshness, having winter blast flavour), Close Up Crystal Frost Cool Spice (crystal frost granules that give icy cool freshness, contains spicy cool flavour), Close Up Icylicious (mild mint flavour),Close Up Spa Moisture (spa Cooling gel and beads that prevent dry mouth)

Source: <http://www.unilever.com.bd/brands/> <http://www.unilever.com.ph/brands/personalcarebrands/closeup.aspx>

(c) Dabour:

Dabur has been voted as Indian PowerBrand 2011-2012 by consumers. Dabur India Ltd was ranked 201 in the Fortune India 500 list (it ranks India’s

largest corporations). As on November 2011 Dabur has a wide distribution network covering 2.8 million retailers across the country. Dabur’s toothpaste segment includes names like Dabur Red: Toothpaste, Babool, Meswak and Promise Toothpaste.

Table 3: Line Extensions -Dabur Table 4: Line Extensions -Price Comparison

Extension	POD/USP	Target Market/ Positioning
Dabur Red: Toothpaste	Contains 13 active ayurvedic ingredients	Keep Dental problems away “Problems Chal Hat.”
Babool	Toothpaste containing medicinal benefits of ‘Acacia Arabia’ i.e. Babul tree.	Targeted at economy segment. Has variants like Mint Fresh Gel, Neem
Meswak	Having benefits of herbs	Premium therapeutic toothpaste
Promise Toothpaste	Clove oil	Anti-cavity toothpaste

Source: <http://www.dabur.com/Products-Health%20Care>

Table-4: Line Extensions—Price Comparison

Brand	Line Extensions	Features	Weight	Price(Rs)
Colgate	Colgate Sensitive Pro-Relief	Paste	80g 40g	Rs. 120 Rs. 70.
	Colgate MaxFresh gel	Gel	150gm	Rs. 60
	Colgate Fresh Energy Gel	Gel	150gm	Rs. 65
	Colgate Herbal	Paste	100gm	Rs. 40
	Colgate Cibaca Family	Paste	400 gm	Rs. 60
	Colgate Active Salt	Whitening Paste	100gm	Rs. 42
	Colgate Max Fresh		150gm	Rs. 64
HUL – Pepsodent	Pepsodent Germicheck+	Paste	75 gm	Rs. 41
	Pepsodent Whitening	Paste	80gm	Rs.34
	Pepsodent 2in1	Paste+ Gel	150gm	Rs. 59
	Pepsodent Center Fresh	Gel	150gm	Rs. 62
	Pepsodent Gum Care	Paste	150gm	Rs. 72
HUL – CloseUp	Closeup Red Hot	Gel	80 gm	Rs. 33
	Closeup Lemon Mint	Gel	150gm	Rs. 57
	Closeup Milk Calcium	Paste	80 gm	Rs. 32
Dabur	Dabur Red: Toothpaste	Paste	200 gm	Rs. 56
	Babool	Paste, Mint Fresh Gel	190 gm	Rs. 29
	Meswak	Paste	200 gm	Rs. 62

Source: <http://www.indiashoppers.in/ProductsSearchResults.php> as on 9th February 2012 <http://www.ezee-shop.com/bathroom/toothpaste-toothpowder> https://www.bacchat.com/BacchatLive/FMCG/CategoryProducts.aspx?Sub_catid=68

Data Analysis: Impact of Line Extensions on the Consumers' Mindset

A) Demographic Profile of Respondents: To know the demographic information of respondent's data

on age, gender, monthly income of respondents and qualification were collected. The results are as under:

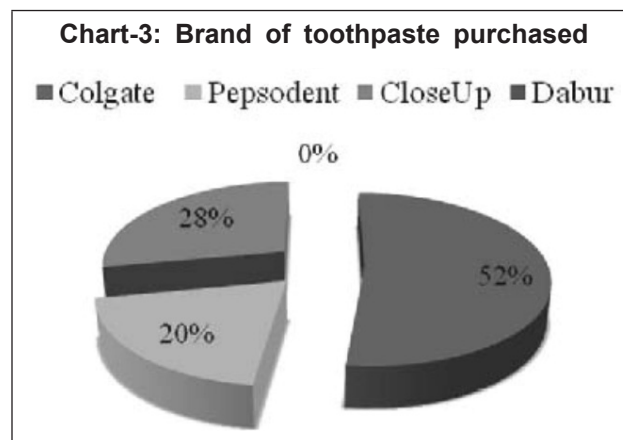
Table 5: Demographic Profile of Respondents

	Particulars	No. of Respondents	Respondents in %
Age	15-30	24	24.00
	30-45	21	21.00
	45-60	34	34.00
	> 60	21	21.00
			100.00
Gender	Male	32	32.00
	Female	68	68.00
			100.00
Monthly Income	< 15000	10	10.00
	15000-30000	23	23.00
	30000-45000	35	35.00
	> 45000	32	32.00
			100.00
Qualification	Professional Degree	20	20.00
	PG	52	52.00
	Graduate	20	20.00
	HSC	8	8.00
			100.00

B) Brand of toothpaste purchased:

Around 52 % of the total respondents surveyed were purchasing toothpaste of Colgate brand, 28

% were preferring toothpaste of CloseUp followed by 20 % using the Pepsodent brand. Amongst 100 respondents none of the respondents were using toothpaste of Dabur.



C) Preference of line extension in various brands purchased:

The following line extensions are purchased by the

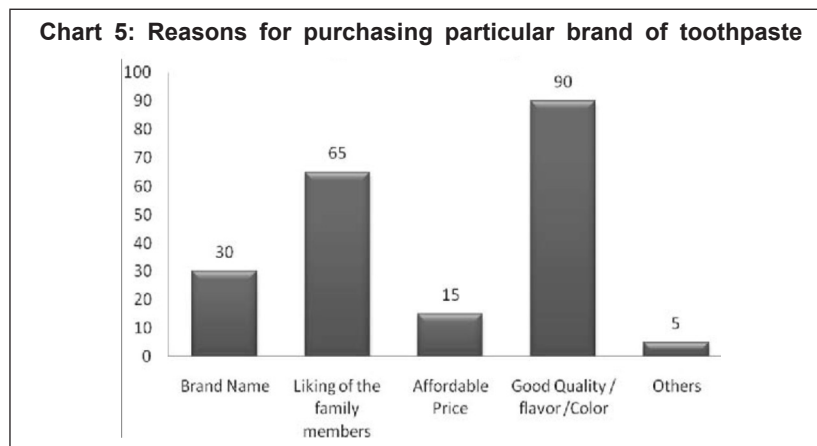
respondents under the Colgate, Pepsodent and CloseUp brand.

Chart 4: Line Extension Purchased by Respondents		
Colgate Brand	Pepsodent Brand	CloseUp Brand

D) Reasons for purchasing particular brand of toothpaste: (multiple-choice question)

Among 100 respondents surveyed it was found that around 90 % of them purchased toothpaste

considering the quality/flavor and color, 65 % of respondents purchased toothpaste considering the liking of their family members followed by brand name, price and 5 % customers considered other factors such as availability of toothpaste in store.



HYPOTHESES TESTING: Hypothesis: 1

HO: There is no significant relationship between age and recall capacity of toothpaste brand having more line extensions H1: There is a significant relationship between age and recall capacity of toothpaste brand having more line extensions

Table 6: Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.444	9	0.794

Interpretation:

H1 will be rejected which suggests that there is no relationship between age and recall capacity of toothpaste brands having more line extensions.

Hypothesis: 2

HO: There is no significant difference between gender and the perception about uniqueness in

line extensions H1: There is a significant difference between gender and the perception about uniqueness in line extensions

Table 7 : Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	21.734	3	0.000

Interpretation:

As per the test H1 will be accepted which suggests that there may be some relationship between gender and the perception about uniqueness in line extensions.

Hypothesis: 3

HO: There is no significant association between gender and perception that new extension has improved in terms of quality and features H1: There is a significant association between gender

and perception that new extension has improved in terms of quality and features

Table 8: Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	19.118	3	0.000

Interpretation:

The test proves that there may be some association between gender and perception that new extension has improved in terms of quality and features and hence we will accept H1.

Hypothesis: 4

HO: There is no significant relationship between income and brand loyalty H1: There is a significant relationship between income and brand loyalty

Table 9: Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.546	9	0.684

Interpretation:

H1 will be rejected which suggests that there is no relationship between income and brand loyalty.

Hypothesis: 5

HO: There is no significant association between qualification and switching behaviour H1: There is

a significant association between qualification and switching behaviour

Table 10: Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	49.303	12	0.000

Interpretation:

The test proves that there may be some association between qualification and switching behaviour and hence we will accept H1.

CONCLUSION:

The market leaders of Indian toothpaste market have done many line extensions with basic aim of retaining the customers and to generate a new set of users for themselves. The price difference among these players is also minimal but the tactics used by each player was always different and unique so that that they could catch attention of their audience. The following results were obtained from the primary data analysis—there may be some association between gender and consumer's perception about uniqueness and improvement done in new line extension in terms of quality and features. Consumers' qualification impacts his brand switching behaviour. Neither there is relationship between consumers' income and loyalty towards a particular brand of toothpaste nor there exist any relation between age and recall capacity of toothpaste brands having more line extensions.

REFERENCES

1. <http://faculty.bus.olemiss.edu/cnoble/650readings/brand%20and%20branding%20,%20re search%20findings%20and%20future%20priorities.pdf>
2. http://faculty-gsb.stanford.edu/draganska/PDF_Files/1linelength_FL61.pdf
3. <http://pepsodentgermicheck.com/>
4. <http://userwww.sfsu.edu/~sbhat/Factors%20Determining%20Line%20Extension%20Success>
5. <http://www.brandchannel.com/images/papers/Factorsinfluence.pdf>
6. <http://www.colgate.co.in/app/Colgate/IN/Corp/PressRoom/Product.cvsp>
7. http://www.colgate.co.in/app/Colgate/IN/Corp/PressRoom/ProductArchives.cvsp?newsArticle=News_170805
8. <http://www.dabur.com/Media-Accolades>
9. <http://www.equitymaster.com/research-it/sector-info/consprds/consprds-products.html>
10. <http://www.financialexpress.com/old/fe/daily/20000527/fst27026.html>
11. http://www.hec.unige.ch/recherches_publications/cahiers/2002/2002.14.pdf
12. <http://www.hul.co.in/mediacentre/news/2011/HUL-rankedamongTheWorldsMostInnovativeCompanies.aspx>
13. <http://www.ibef.org/download/FMCG50112.pdf>
14. <http://www.thehindubusinessline.in/2006/03/07/stories/2006030703960800.htm>
15. http://www.docs.fce.unsw.edu.au/marketing/amj_12_3_riley_et_al.pdf



16. Kirmani, A., S. Sood, S. Bridges. 1999. The ownership effect in consumer responses to brand line stretches. *J. Marketing* 63(January), pp. 88–101.
17. Moreau, P., D. R. Lehmann, A. P. Markman. 2001. Entrenched knowledge structures and consumer response to new products. *J. Marketing Res.* 38(February), pp. 14–29.
18. Reddy K. Srinivas, Holak L. Susan, Bhat Subodh, (May, 1994), To Extend or Not to Extend: Success Determinants of Line Extensions, *Journal of Marketing Research*, Vol. 31, No. 2, Special Issue on Brand Management, pp. 243-262
19. Reddy, S. K., Holak, S. L., Bhat, S., 1994. To Extend or not to Extend: Success Determinants of Line Extensions. *Journal of Marketing Research*, 31(2 May), 243-262.
20. Speed, R., 1998. Choosing between line extensions and second brands: the case of the Australian and New Zealand wine industries. *Journal of Product & Brand Management*, 7(6), pp. 519-538.

Journal Subscription Form

I wish to subscribe to the "SAARANSH-RKG JOURNAL OF MANAGEMENT" for the period of:

One Year

Two Years

Three Years

I am enclosing Demand Draft/Cheque number
dateddrawn in favour of 'Raj Kumar Goel Institute of Technology' for
Rs.payable at Ghaziabad.

1. Name.....
2. Name of the Organization
3. Mailing Address
4. City State Pin Code
5. Phone Mobile
6. E-mail
7. Current Subscription No. (For renewal orders only)
8. Subscription Rate

	One Year	Two Years	Three Years
Individual	Rs. 500	Rs. 950	Rs. 1200
Institutional	Rs. 1000	Rs. 18000	Rs. 2500
Individual (Overseas)	US \$ 50	US \$ 80	US \$ 120
Institution (Overseas)	US \$ 75	US \$ 100	US \$ 125

Rs. 50/-should be added of outstation cheques in India.

Mail to:

Ram Nath

Librarian

Raj Kumar Goel Institute of Technology (MBA Institute)

5 km Stone. Delhi-Meerut Road, Ghaziabad (U.P.) 201003, INDIA

Tel. : 0120-2788273, 2788409, Fax : 0120-2788350/447

Email : librarymba@rkgit.edu.in Website : <http://www.rkgit.edu.in>

Guidelines For Contributors

The author should follow the following instructions while preparing the manuscript.

- The paper should be about 8000-10000 words in length. The author(s) should submit two copies of the manuscript, typed in two space on A4 size bond paper allowing 1-inch margin on all sides, should be submitted with a soft copy in CD in PC compatible MS-word document format. CD is not required if the manuscript is e-mailed at saaransh@rkgit.edu.in however, in this case two hard copies of manuscripts have to be sent separately.
- The author should provide confirmation that-The article is the original work of the author(s). It has not been earlier published and has not been sent for publication elsewhere.
- The paper should begin with an Abstract of not more than 100-150 words, which encapsulate the principle topics covered by the paper. Abstracts should be informative, giving a clear indication of the nature and range of results contained in the paper. Do not include any reference in your abstract.
- Figures, charts, tables and diagrams-All figures, diagrams, charts and tables should be on separate papers and numbered in a single sequence in the order in which they are referred to in the paper. Please mention their number at appropriate places within the text.
- References must be kept to a bare minimum. The references must be quoted in the text using American psychological style of referencing. You must make sure that all references which appear in the text are given in full. Where there is more than one reference to the same author for the same year, they should be listed as 2009a, 2009b etc. The references section should be a continuous alphabetical list. Do not divide the list into different sections.

Books The order of information should be as in the following example:

Srivastava, Vinay K. (2007), Privatization of Public Enterprises in India, Allahabad, Kitab Mahal.

Journal papers and book chapters The order for reference to articles/chapters of books should be as in these examples:

Srivastava, Vinay K. (2004), 'Corporate Governance Practices', Indian Journal of Accounting, Ujjain, IAA, Vol. 34, No. 2, Pp 74-77.

Rao, Nageshwar, (1922), Privatise public Enterprises in India, in Prakash. J. (ed), Privatization of Public Enterprises in India, Mumbai, Himalya Publishing House, p212.

- All manuscripts received for publication in SAARANSH are acknowledged by the Chief Editor. This helps authors know the status of their paper from time to time.
- The Editors reserve the right to accept or refuse the paper for publication, and they are under no obligation to assign reasons for their decision. Authors will receive a complimentary copy of the journal in which their articles are published.
- The works published in the journal should not be reproduced or reprinted in any form, without the prior permission from the editor.

Research Paper Selection Process

Authors can send their paper up to October and April for the issue of January and July respectively. When a manuscript is first received, the editor completes a preliminary screening of the manuscript. For each manuscript passes the initial review stage, the editor assigns two reviewers. The editor makes publication decisions about it. However, these decisions are made in conjunction with recommendations provided by members of the Journal's Editorial Board or other qualified reviewers. **All submissions will be blind reviewed**; manuscripts prepared in a way that compromises blind review may be returned for revision prior to being reviewed. It will be respond to first author.

ABOUT THE EDITOR

Dr. Arvind Singh born in Ghaziabad is the Chief Editor of the journal. He is heading the MBA Institute of RKGIT, Ghaziabad as principal. He has more than 23 years of experience of the industry & academia. He did his Ph.D from CCS University Meerut. He earns his master degree in management from IMT Ghaziabad and Master of commerce from CCS University. He is a very good administrator and academician. His area of interest for teaching is Accounting and Finance specialization . Prof. Singh has many publications to this credit in the form of Books, research papers, articles etc. He has published 10 research papers in reputed journals and presented 7 papers in national & International seminars. He has supervised over 100 research project of MBA students. He has organized several seminars including inclusive Growth & innovative Practises in management. He is associated with many professionals bodies. The Executive Member of Ghaziabad Management Association, Member of All India Management Association and member of Indian society for management Development and Research. He is supervising four Doctoral theses.



ABOUT THE EDITOR

Dr Ashutosh Agarwal, presently working as Associate Professor (Finance) with Raj Kumar Goel Institute of Technology (MBA Institute), Ghaziabad. He has 10 years of versatile academic experience. Dr Agarwal holds PhD from Dr RML Avadh University, Faizabad after qualifying the UGC-NET for lectureship. He received his masters in Management from U P Technical University, Lucknow. Dr Agarwal has worked with various reputed Institutions under different capacity viz. Coordinator – MBA, Head Examiner, Chief Proctor, Chairperson – Library, Incharge – R&D, Convener National Seminar, Convener – National BQ Competition, Convener- Post Budget Review, Joint Convener – International Conference etc. He has published 12 research papers in various National and International journals and also a monograph research in his credit. He has presented 08 papers in different International & National Conferences & Seminars. He has conducted various MDPs and FDPs at various locations of India.



Printed & published by

RAJ KUMAR GOEL INSTITUTE OF TECHNOLOGY (MBA)

(Affiliated to U.P. Technical University, Lucknow)

5 km Stone, Delhi-Meerut Road, Ghaziabad-201003, INDIA.

Phones : 0120-2788273, 2788409 **Fax :** 0120-2788350/447

e-mail : saaransh@rkgit.edu.in **website :** <http://rkgit.edu.in>