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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.

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FROM THE DESK OF THE EDITOR

Retailing industry in India is in high transitional phase. The Street shops are transforming in to a hypermarket, retailing became entertaining-activity. Newer & innovative forms and formats of retailing are emerging now a days. These limitless transformations have broken the geographic boundaries and reached even in interior locations of India. The Boston Consulting Group and Retailers Association of India published a report titled, 'Retail 2020: Retrospect, Reinvent, Rewrite', highlighting that India's retail market is expected to nearly double to US\$ 1 trillion by 2020 from US\$ 600 billion in 2015, driven by income growth, urbanization and attitudinal shifts. The computerization, Android Smart-phones, expanding e-commerce is also supporting the growth of Indian Retail Industry in off-line as well as on-line forms. Amazon India expanded its logistics footprint three times more than 2,100 cities and towns in 2015, as Amazon.com invested more than US\$ 700 million in its India operations since July 2014.

This volume of SAARANSH focus on the changing scenario of retailing. Author Dr Harrison Sunil contributed his scholarly work on analysis of Retail Services with respect to the Customer Expectations. Moreover, the research paper of Author Mayur Kumar tries to define the Customer Relationship Management (CRM) practices in organized retail shopping-malls. Continuing the efforts to better analyze the retailing in present scenario Dr Anjali Sharma identified the factors influencing the buying behavior of Delhi-NCR towards fashion apparels.

With these remarkable contribution, Dr. Musheer Ahmed, Mr. Jnaneshwar Pai Maroor, Mr. Shubhanker Yadav and Dr Vijay Kumar also contributed the significant research-works in various domain.

We hope that, definitely, this Issue of SAARANSH will direct new directions for betterment & sustainability of corporate. We are also looking for valuable input for improvement & betterment of SAARANSH.

–Dr Arvind Singh

EXPERT'S-COMMENTS for “SAARANSH” RKG Journal of Management

Dr Rita Bahuguna Joshi, President, U. P. Congress Committee

✍ *'It is very informative and useful.'*

Prof. Jagdish Prakash, Ex Vice Chancellor, University of Allahabad

✍ *'SAARANSH is a very standard journal in the area of management which includes empirical articles by national and international authors'*

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✍ *'I am pretty sure that the professionals and faculty of various colleges will contribute in the forthcoming issue of the journal.'*

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✍ *'The journal will be getting commanding heights in India, and thereafter abroad, positively.'*

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Prof. (Dr). G. K. Upadhyay, Director, Sri Sri Institute of Technology & Management, Kasganj

✍ *'It proves to be a result of great hard work & creativity'*

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A Study on Disclosure Practices of Employees Benefits (AS-15) by Selected FMCG Companies of India

*Dr. Y M Dalvadi

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ABSTRACT

In this new economy talent, ideas, energy and decision making power to employees are key to ultimate success of business. Employee provides benefit to business in some manner as the other tangible and intangible resources. Every company extended handsome salary and different benefits to the employees to retain them in competitive world. Prosperous companies come out with innovative compensation plan to its employer. Company spends crore of rupees in giving benefits to its employees. In this context, ICAI has framed Accounting Standard No 15 that discusses how the companies should give the treatment to the employees' benefits and discloses various information in its annual report. The present study attempt to study the disclosure practices of various Fast Moving Consumer Goods companies. The results shows that there the companies follows the AS 15 as it is mandatory but there is no common disclosure practices among selected companies. The study found that Colgate Palmolive, Asian Paints, P&G and Philips India Ltd are the top companies in disclosure practices

INTRODUCTION

Employees are soul of any organization, without an employee and manpower no company can work. The goal of the organization can be fulfilled through their employee. So, every company should give due importance to their employee and should try to give more benefits to them. As humans are priceless, the accounting of them not possible but company can disclose the benefits provided to its employees. Indian Accounting Standard 15 deals with disclosure of employees benefits. It is mandatory standard for registered Indian companies.

REVIEW OF LITERATURE

Reporting and Disclosure Guide (2008) for Employee Benefit Plans has been prepared by the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) with assistance from the Pension Benefit Guaranty Corporation (PBGC). It is intended to be used as a quick reference tool for certain basic reporting and disclosure requirements under the Employee Retirement Income Security Act of 1974 (ERISA).

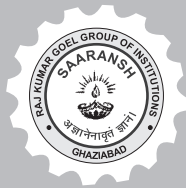
Not all ERISA reporting and disclosure requirements are reflected in this guide. K.S. Muthupandian (2009), has done research on International Accounting Standard (IAS) 19, Employee Benefits. He discussed about objective, scope, Applicability, key definition of all term of employee benefits, Measurement, Profit sharing and bonus payment, contribution plan, benefit plan and terminal benefit. M/s. K A Pandit Consultants & Actuaries, May (2010), indicates that Employee Benefits is applicable to all Level-I entities in entirety, some relaxation in terms of Disclosures are given to Level-II & Level-III entities. This paper indicate that ICAI has issued Accounting standard 15 initially in 1995 after that the same has revised by ICAI in 2005. This revised standard is improved version of old AS 15 (1995). In this article researcher covered all types of employee benefits, except share base payment.

OBJECTIVES

- To study of Accounting Standard 15 regarding employees benefits.
- To study the disclosure requirement by Indian

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company as per AS 15.

- To examine the disclosure practices of AS 15 disclosure by selected FMCG companies.

ACCOUNTING STANDARD 15 'EMPLOYEES BENEFITS'

The objective of this Standard is to prescribe the accounting and disclosure for employee benefits. The Standard requires an organization to recognise:

- a) Liability when an employee has provided service in exchange for employee benefits to be paid in the future.
- b) An expense when the entity consumes the economic benefit arising from service provided by an employee in exchange for employee benefits.

When an employee has rendered service to an entity during a period, the entity shall recognise the contribution payable to a defined contribution plan in exchange for that service:

- a) As a liability after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, an entity shall recognize that excess as an asset to the extent that the prepayment will lead to.
- b) An expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

An entity shall offset an asset relating to one plan against a liability relating to another plan when, the entity:

- a) Has a legally enforceable right to use surplus in one plan to settle obligations under the other plan; and
- b) Intends either to settle the obligations on a net basis, or to realize the surplus in one plan and settle its obligation under the other plan simultaneously.

Applicability to the companies

The Small & Medium Companies have been given following relaxation as regard AS – 15 "Employee Benefits"

- Small & Medium Companies need not comply of AS-15 to the extent that deals with

recognition and measurement of short term accumulated compensating absences.

- Discounting the amount payable after 12 months of balance sheet as regards defined contribution plans and termination benefits.
- Recognition, measurement and disclosure principles in respect of defined benefit plans and other long term employee benefits plan. However such enterprises should provide and disclose the accrued liabilities in respect of defined benefits plan and other long term employee benefit plan as per actuarial valuation based on projected unit credit method and discount rate based on yield on Government bonds.

Types of Employee Benefits and Overview of Their Accounting

This standard is applicable to following four types of employees' benefits (Table 1).

HYPOTHESIS

H_0 = There is no significant difference in the disclosure of AS 15 by selected FMCG companies.

H_1 = There is significant difference in the disclosure of AS 15 by selected FMCG companies.

RESEARCH METHODOLOGY

The researcher work is explorative in nature. A purposive sampling technique has been adopted for the selected FMCG companies. The study is based on secondary data which have been available in annual report of the company. The data related with the study collected from annual report of company, magazines, journals, books. The period of study was three year. That data were collected for the period of 2009-10 to 2011-12 only. The collected data summarized and analysed using average, sum, percentage, and various tables have been prepared for better understanding of data (Table 2).

Table 2&3 indicate that all selected companies follow the disclosure of AS 15. The table helps to understand which company provides more information regarding Disclosure of AS 15. It can see that accounting policy is given by 15 companies (i.e. 100) companies out of 15

companies. General description of the type of plan given 15 companies (i.e. 100) out of 15 companies. Reconciliation of opening and closing balances of the present value of the defined benefit obligation is given by 15 companies (i.e. 100) companies out of 15 companies. Analysis of the defined benefit obligation is given by 15 companies (i.e. 100) companies out of 15 companies. Reconciliation of the opening and closing balances of the fair value of plan assets and of the opening and closing balances of any reimbursement right recognised an asset is given by 14 companies (i.e. 93.33) companies out of 15 companies. Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets to the assets and liabilities recognised in the balance sheet the past service cost recognised in the balance sheet is given by 2 companies (i.e.13.33) companies out of 15 companies. Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets to the assets and liabilities recognised in the balance sheet any amount not recognised as an asset is given by 15 companies (i.e. 100) companies out of 15 companies. Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets to the assets and liabilities recognised in the balance sheet the fair value at the balance sheet date of any reimbursement right recognised as an asset is given by 14 companies (i.e. 93.33) companies out of 15 companies. Total expenses recognised in the statement of profit and loss are given by 15 companies (i.e. 100) companies out of 15 companies. Constitutes of the fair value of the total plan asset is given by 15 companies (i.e. 100) companies out of 15 companies. The amounts included in the fair value of plant assets for each category of the enterprise's own financial instruments is given by 15 companies (i.e. 100) companies out of 15 companies. The amounts included in the fair value of plant assets for any property occupied by, or other assets used by, the enterprise is given by 8 companies (i.e. 53.33) companies out of 15 companies. Narrative description of the basis used to determine the overall expected rate of return on asset is given by 14 companies (i.e. 93.33) companies out of 15 companies. Actual return on plant assets, as well as the actual return on any reimbursement right recognised as assets is given by 9 companies (i.e. 60) companies out of 15 companies. Actuarial assumption in absolute terms is given by 13

companies (i.e. 86.67) companies out of 15 companies. Effect of an increase of one percentage point and effect of a decrease of one percentage point in the assumed medical cost trend rates on expenses and obligation is given by 4 companies (i.e. 26.67) companies out of 15 companies. Amount for the current annual period and previous four annual periods of present value of the defined benefits obligation is given by 11 companies (i.e. 73.33) companies out of 15 companies. Experience adjustments arising on Plant liabilities expressed either as an amount or a percentage of plant liabilities at the balance sheet date are given by 6 companies (i.e. 40) companies out of 15 companies. Experience adjustments arising on Plant assets expressed either as an amount or a percentage of plant assets at the balance sheet date are given by 7 companies (i.e. 46.67) companies out of 15 companies. Employer's best estimate as soon as it can reasonably be determine of contributions expected to be paid to the plan during the annual period beginning after the balance sheet date is given by 15 companies (i.e. 100) companies out of 15 companies.

HYPOTHESIS TESTING

H_0 = There is no significant difference in the disclosure of AS 15 by selected FMCG companies.

H_1 = There is signification difference in the disclosure of AS 15 by selected FMCG companies.

To test the above mentioned Hypothesis we have applied ANOVA Single factor. Table 4 and 5 reflects the results of the Hypothesis Testing.

Inference: To test the hypothesis, we have applied ANOVA. In above table F value is 1.596812 and P-value is 0.079232. As P value is more than 0.05, therefore we accept the null hypothesis i.e. there is no significant difference in the disclosure of AS 15 by selected FMCG companies and we reject the alternative hypothesis.

FINDINGS OF THE STUDY

1. All selected companies follows the disclosure of Accounting policy, General description of the type of plan, Reconciliation of opening and closing balances of the present value of the defined benefit obligation, Analysis of the



defined benefit obligation, Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets to the assets and liabilities recognised in the balance sheet any amount not recognised as an asset, Total expenses recognised in the statement of profit and loss, Constitutes of the fair value of the total plan asset, The amounts included in the fair value of plant assets for each category of the enterprise's own financial instruments, Employer's best estimate as soon as it can reasonably be determine of contributions expected to be paid to the plan during the annual period beginning after the balance sheet date in the Company's Annual report.

2. Reconciliation of the opening and closing balances of the fair value of plan assets and of the opening and closing balances of any reimbursement right recognised an asset is given by 14 companies except Nestle India Ltd. Narrative description of the basis used to determine the overall expected rate of return on asset is given by 14 companies except Reckitt Benkiser company in the company's Annual report.
3. Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets to the assets and liabilities recognised in the balance sheet the past service cost recognised in the balance sheet is given by 2 companies that is Asian paints ltd and Britannia Company.
4. The amounts included in the fair value of plant assets for any property occupied by other assets used by, the enterprise is given by 8 companies like Asian Paints Company, Britannia Company, Colgate company, Dabure India Ltd., Modi Revlon Company, P&G company, Phillips company and Reckitt Benkiser company in the Company's Annual report.
5. Actual return on plant assets, as well as the actual return on any reimbursement right recognised as assets is given by 9 companies like Asian Paints Company, Colgate Company, Godrej Company, J&J Company, Marico Company, Modi Revlon Company, P&G Company, Phillips Company and Reckitt Benkiser Company in the Annual report.
6. Actuarial assumption in absolute terms is given

by 13 companies only two companies not mention actuarial assumption that is J&J Company and Reckitt Benkiser Company in their Annual report.

7. Effect of an increase of one percentage point and effect of a decrease of one percentage point in the assumed medical cost trend rates on expenses and obligation is given by 4 companies like Hindustan Unilever Company, P&G Company, Phillips Company and Reckitt Benkiser Company in their Annual report.
8. Amount for the current annual period and previous four annual periods of present value of the defined benefits obligation is given by 11 companies who are not given that companies are Dabur India Ltd., Henkle Spic Company, and J&J Company and Modi Revlon Company in the Company's Annual report.
9. Experience adjustments arising on Plant liabilities expressed either as an amount or a percentage of plant liabilities at the balance sheet date is given by 6 companies which are Asian Paints Company, Colgate company, Hindustan Unilever company, Marico company, P&G company and Reckitt Benkiser in their Annual report.
10. Experience adjustments arising on Plant assets expressed either as an amount or a percentage of plant assets at the balance sheet date is given by 7 companies which are Asian paints company, Colgate company, Hindustan Unilever company, Marico company, P&G company, Philips company and Reckitt Benkiser company.

CONCLUSION

Accounting Standards is to standardize the diverse accounting policies. ICAI is issued 32 no of Accounting Standard out of which AS 15 deals with Employee benefits. AS 15 is applicable to level all level of entities i.e. level 2, II and III. AS 15 is to prescribe the accounting and disclosure for employee benefits. The Standard requires an enterprise to recognise. A liability when an employee has provided service in exchange for employee benefits to be paid in the future; and an expense when the enterprise consumes the economic benefit arising from service provided by an employee in exchange for employee benefits. In this study all selected companies follows the

AS 15 and give the information regarding AS 15 in their company's Annual report. It is found that the reporting practices are not same in all the companies. Selected Companies gives information about the employees' benefits but they do not show whether particular items are not applicable. However the study indicates all the

companies disclose the information about employees benefit in its annual report. We recommend that the ICAI should also give the structure or pro-forma in which they provide the data so that the reader of the financial report can understand and compare it properly.

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Table 1

No.	Employee Benefits	Overview of Accounting
1.	Short-term employee benefits	When an employee has rendered services in exchange for these benefits by debiting to expense.
2.	Post-employment benefits	Such benefits may be of defined contribution plans or defined benefit plans. If covered by defined contribution plans, contribution is recognised as an expense.
3.	Other Long-term employee benefits	Legal and constructive obligation under the plan is calculated on actuarial valuation and is recognised as a defined benefit liability in the balance sheet.
4.	Termination benefits	Termination benefits are recognised as an expense immediately.

Table. 2: Disclosure By Selected Companies

No Disclosure	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Total	(%)
1. Accounting policy	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	15	100
2. General description of the type of plan	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	15	100
3. Reconciliation of opening and closing balances of the present value of the defined benefit obligation	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	15	100
4. Analysis of the defined benefit obligation	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	15	100
5. Reconciliation of the opening and closing balances of the fair value of plan assets and of the opening and closing balances of any reimbursement right recognised an assets	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1	14	93.33
6. Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets to the assets and liabilities recognised in the balance sheet, showing at least;																	
6.1 The past service cost recognised in the balance sheet	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	2	13.33
6.2 Any amount not recognised as an asset	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	15	100
6.3 The fair value at the balance sheet date of any reimbursement right recognised as an asset	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1	14	93.33
7. Total expenses recognised in the statement of profit and loss	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	15	100
8. Constitutes of the fair value of the total plan asset	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	15	100
9. The amounts included in the fair value of plant assets for;																	
9.1 Each category of the enterprise's own financial instruments	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	15	100
9.2 Any property occupied by, or other assets used by, the enterprise	1	1	1	1	0	0	0	0	0	1	0	0	1	1	1	8	53.33
10. Narrative description of the basis used to determine the overall expected rate of return on asset	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0	14	93.33
11. Actual return on plant assets, as well as the actual return on any reimbursement right recognised as an assets	1	0	1	0	1	0	0	1	1	1	0	0	1	1	1	9	60
12. Actuarial assumption in absolute terms	1	1	1	1	1	1	1	0	1	1	1	1	1	1	0	13	86.67

13. Effect of an increase of one percentage point and effect of a decrease of one percentage point in the assumed medical cost trend rates on expenses and obligation	0	0	0	0	0	0	1	0	0	0	0	0	1	1	1	4	26.67
14. Amount for the current annual period and previous four annual periods of;																	
14.1 Present value of the defined benefits obligation	1	1	1	0	1	0	1	0	1	0	1	1	1	1	1	11	73.33
14.2 Experience adjustments arising on;																	
14.2a Plant liabilities expressed either as an amount or a percentage of plant liabilities at the balance sheet date	1	0	1	0	0	0	1	0	1	0	0	0	1	0	1	6	40
14.2b Plant assets expressed either as an amount or a percentage of plant assets at the balance sheet date	1	0	1	0	0	0	1	0	1	0	0	0	1	1	1	7	46.67
15 Employer's best estimate as soon as it can reasonably be determine of contributions expected to be paid to the plan during the annual period beginning after the balance sheet date	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	15	100

1= Disclosed 0= Not Disclose

Table 3

1 = Asian Paint company	6 = Henkle Spic India lmt.	11 = Nestle India company
2 = Britannia company	7 = Hindustan Unilever limited	12 = Nirma company
3 = Colgate Palmolive company	8 = J&J company	13 = P&G company
4 = Dabur India limited	9 = Marico company	14 = Philips company
5 = Godrej company	10 = Modi Revlon company	15 = Reckitt Benkiser company

Table 4: ANOVA: Single Factor SUMMARY

Groups	Count	Sum	Average	Variance
Asian Paint company	20	21	1.05	0.05
Britannia company	20	24	1.2	0.168421
Colgate Palmolive company	20	22	1.1	0.094737
Dabur India limited	20	26	1.3	0.221053
Godrej company	20	25	1.25	0.197368
Henkle Spic India limited	20	27	1.35	0.239474
Hindustan Unilever limited	20	23	1.15	0.134211
J&J company	20	27	1.35	0.239474
Marico company	20	23	1.15	0.134211
Modi Revlon company	20	25	1.25	0.197368
Nestle India company	20	28	1.4	0.252632
Nirma company	20	26	1.3	0.221053
P&G company	20	21	1.05	0.05
Philips company	20	22	1.1	0.094737
RB company	20	23	1.15	0.134211

Table 5

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	3.62	14	0.258571	1.596812	0.079232	1.726605
Within Groups	46.15	285	0.16193			
Total	49.77	299				



A Study of Customer Relationship Management (CRM) Practices in Organized Retail Shopping Malls

* A. Mayur Kumar

ABSTRACT

In this research identify key barriers to the success of their customer relationship management (CRM) practices in organized retailing shopping malls Bengaluru city. The purpose of this study is to analyze the several best practices of Customer Relationship Management used by retailer of Bengaluru city to attract the customers and to gain their loyalty. We find seven best practices of CRM which are important and beneficial mall retailers such as, Consumer promotional tool, Customer services, Activities of Mall employees, Customer profiling, Mall presentation, Cross selling & Up selling, Customer access through Technology. This study is undertaken to identify the factors influencing the CRM practices on customer satisfaction and brand loyalty the hypothesis has been tested by using Correlation analysis and regression tests research as the major findings of the study are statistically significant positive relationship between CRM practices and customer satisfaction.

INTRODUCTION TO RETAILING IN INDIA

Retailing today occupies a key role in the world economy. It must be concisely and clearly defined; retailing includes all the activities involved in selling goods or services directly to final consumers for personal, non-business use. Consequently, retailing is today one of the largest industries in the world and even the largest in some countries. Retail sector, worldwide has been zooming at a faster rate than ever before because of globalization of economics, emergence of information technology, increased demand, increased production etc., So, retailing industries evolving into a global, high-tech business and has come to occupy a prominent position in today's modern society. Retail has entered India as seen in sprawling shopping center, multi-stored malls and huge complexes offer shopping, entertainment and food all under one roof. The Indian retail market, which is the fifth largest retail destination globally, has been ranked the most attractive emerging market for investment in the retail sector by A.T. Kearney annual Global Retail Development Index (GRDI) 2009. An important aspect of the current economic scenario in India is the emergence of organized retail. In India organized retailing is projected to grow at the rate of 25 percent to 30 percent p.a. and estimated to reach an according Rs 1000 billion 2010. According to a study conducted by (CRISIL) Research and information services, the organized

retail industry in India is expected to grow 25–30 percent annually and would triple in size from Rs. 35,000 Crore in 2004-05 to Rs. 109,000 Crore (\$ 24 billion) by 2010. Present Indian constitutes on 100 percent, 92 percent unorganized retail sector and 8 percent organized retail sector. A large young working population with median age of 24 years, nuclear families in urban areas, along with increasing working women population and emerging opportunities in the services sector are going to be the key growth drivers of the organized retail sector in India. Today, shopping malls have become a part and parcel of daily life of people living in Metros and big cities but also in the Tier II and III towns Shopping mall means much more to people than just spending money and buying new things, it has more to do with the feeling and the “rush” of new experiences you get from the first moment you step into a shopping mall. Shopping malls seem to be rising in the Indian land space, real estate developers create mixed opportunities to build more projects retail, dining environment, and residential living units will do more and more to wards. Shopping Malls, which are now anchored by large outlets such as Westside and Lifestyle and are resided by a lot of Indian and international brands, are also being seen as image benchmarks for communities and also providing retail Space, good ambience and convenience, quality merchandising, security are beginning to play an important role in drawing customers.

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MALL SCENARIO IN INDIA

Malls are an upcoming trend in Retail market. The concept is based on constructing centrally air-conditioned malls and renting the floor space out to individual shops. Shoppers use the same parking facilities and there is a combined brand pull of all outlets. Malls seek to position themselves as destination shopping locations. The concept of Retail as entertainment came to India with the advent of malls. Mall fever has touched every facet of Indian society. In India, malls have transformed shopping from a need driven activity to a leisure time entertainment. The quality mall space which was just one million square feet in 2002 has accomplished new milestones of 40 million square feet and 60 million square feet in 2007 and 2008 respectively³¹¹. There is a paradigm shift in the mall scenario, from just 3 malls in the year 2000; the country witnessed 220 malls in the year 2006. In India, out of the 12 million sq.ft of Indian shopping centre space planned for opening in 2012, only about 60 percent was expected to be complete (JLLS) because of the huge delay in mall projects in India's biggest cities. There is a stress even in the business model as it is getting a bit expensive. Real estate prices and construction costs are rising, but the retail business is not growing enough to absorb these costs. Retail rents are down by 30 to 40 percent as compared to the peak of 2008 (CRISIL)

CUSTOMER RELATIONSHIP MANAGEMENT

Relationship Marketing is emerging as a new phenomenon, CRM is a part of relationship marketing. CRM is technological infrastructure, both hardware and software, to manage large quantity of customer data. But Relationship marketing is a way of doing business. CRM is just an enabler of Relationship marketing. So we should not assume that more technology leads to a more effective CRM Program (Batterly 2003). This means that CRM will work on the principle that retailers have to chat out programs which will help them to raise their profitability ones continuous basis though building long-term relationship with their customer's customer Relationship management is a company business strategy designed to reduce cost and increase profitability by solidifying customer loyalty. True CRM brings together information from all data

sources with an organization (and where appropriate, from outside the organization) to give one, holistic view & each customer in real time. This allows customer facing employees in such areas as sales, customer support, and marketing to make quick yet informed decisions on everything from cross selling and up selling opportunities to target marketing strategies to competitive positioning tactics. CRM has evolved in to a customer centric philosophy that must permeate an entire organization. There are three key elements to a successful CRM initiative.

- (i) People
- (ii) Process
- (iii) Technology

OBJECTIVE OF THE STUDY

1. To examine the fundamental concepts behind customer relationship management (CRM) practices of organized retail shopping malls in Bengaluru.
2. To measure the level of satisfaction / dissatisfaction of customers towards CRM practices of organized retail shopping malls at Bengaluru city in India.
3. To identify the effectiveness of CRM practices on customer satisfaction and customer loyalty.
4. To offer feasible ways and means to wipe out the dissatisfaction prevailed among customers towards the CRM practices of organized retail shopping malls in Bangalore and put the whole CRM scenario in retail shopping mall in Bangalore on more viable footing.

SELECT REVIEW OF LITERATURE

Customer Relationship Management (CRM)

Hyung-Sukim, Young-Gul Kim in his article "CRM performance Measurement framework its development process and application" discussed CRM was developed through rigorous and stepwise development process collaborated with a number of firms in a variety of industries. The study indicated measuring CRM performance has become an important topic for both academics and practitioners. The company must first understand what factors are important for performance CRM strategy and what interrelationships between those factors are the core relational mechanism in the measuring CRM performance measurement



framework. Yiping (2007) analyzed the loyalty program is an important form of CRM strategy. CRM is a important tool and aim to increase customer loyalty by rewarding customers for doing business with the firm. Stephan C. Henneber (2005) in his work study "An Exploratory Analysis of CRM implementation models" throws a light on Customer Relationship Management (CRM) as a concept of both customer – orientation and market-orientation. Comparing need CRM follow-up projects that supplement the initially created CRM capabilities with complementary elements.

CRM IN RETAILING SECTOR

According to Peter C. Verhoef, Rajkumar Venkatesan, Leigh Mcalister Edward C, Malthouse, Manfred Krafft and Shankar Ganesan (2010) in this article Authors are validate the CRM in a specific focus on retailing is a overview retailers can gather customer data and how they can analyze these data to gain useful customer insights. These authors note that discussed the CRM in retailing is a daily practice has developed useful methods for targeting the right customers with right offer at the right time and for predicting future behaviour and customer value. Kamaladevi B (2009) in his study have reported CRM in Retailing is a new wrapper to find the customer exportation and preferences in minds of customer. This article provide a broad-based overview of the various domains brand, price, promotion, supply chain, management, location, advertising, packaging labeling service mix and atmosphere of the retail customer experience and CRM by stems in retailing are installed without any though about how they will be used to add value for the customer.

CRM PRACTICES IN SHOPPING MALL: Customer Promotional Tool

According to Srinivasan and Anderson (1998) in these days businesses are constantly looking for marketing tactics to increase effectiveness and efficiency of their tasks of business. For a business to advertise their brand and make it a dominant brand, marketing and sale promotion looks to be extremely effective (De Chernatony and McDonald, 2003) Totten and Block (1994) that stated the term sales promotion refers to several types of selling incentives and methods which aim to yield the immediate sales effects. Three kinds of methods could be used by marketers to

increase sales, first one is the promotion which is used to target consumers is called consumer's sales promotion (Price Deals, Price Pack Deals, Coupons, Samples, Sent of Deals and Loyalty reward programs). The sales promotion which is directed at the customer, distribution channel or sales staff members is called retail promotion (Three for two, Buy-one-get-one-free, free goods, displays and features advertising). The sales promotion that targets to retailers and wholesalers are called trade sales promotion (Trade contest, point of purchase, trade allowance, displays and trade discount and training programs).

Customer services

Customer service is all of the retailer activities that increase the value received by consumers when shopping (Levy, Weitz; 599). According to this definition; customer service is an activity that increases the value. Customer service is identifiable, but sometimes intangible, activities undertaken by a retailer in conjunction with the basic goods and services it sells (Berman, Evans, 2007; 647). Intangibility, one of the main characteristics of services, is valid for customer service, too. According to another definition, customer service is the sum total of what an organization does to meet customer expectations and produce customer satisfaction (Institute of Customer Service). Customer satisfaction can be provided by meeting customer expectations. To meet these expectations, retailers must provide excellent customer service.

Activities of Mall Employees

While past research has examined the effects of diversity on performance in a variety of settings ranging from top management teams (e.g., Bantel & Jackson, 1989; Knight et al., 1999) to product development teams (e.g., Pelled et al., 1999; Ancona & Caldwell, 1992), our study tests the role of diversity in a retail setting. Because employees serve customers directly we can test both sets of arguments discussed above. Using evidence from more than 700 establishments we examine how the demographic match between customers and employees affects workplace performance. We also examine how employees' racial, ethnic, gender, and age diversity affect workplace performance. The effects of diversity have been examined along a number of dimensions ranging from task-relevant dimensions such as tenure and

function to demographic attributes such as gender and race (Jackson, May, & Whitney, 1995). In the present study, our focus is on easily observable attributes such as age, gender, and race diversity. In a retail setting, we believe that these readily detectable traits would be relevant to testing the employee–customer matching argument. In addition, gender, race, and age also represent underlying attitudes, values, and beliefs that influence interpersonal interactions in workgroups (Fiske, 1993)

Customer profiling

Customer profiling has many uses, but the aspect of most concern here is what is usually known as 'Customer Relationship Management' (CRM). Good CRM means (1) Presenting a single image of the organization; (2) Understanding who customers are and their likes and dislikes; (3) Anticipating Customer needs and addressing them proactively; and (4) Recognizing when customers are dissatisfied and taking corrective action (Berry and Linoff, 2000). Since the mid-1980s, there has been an increasing recognition that 'knowledge is a fundamental factor behind an enterprise's success' (Wij, 1994) – a statement that applies in the retail industry as in others. The empirical study reported here concerns the first aspect, but we will conclude with a recommendation for further research on the second.

Mall presentation

Wakefield and Baker (1998) found out that the architectural design of the mall was the dimension which contributed the most to the mall excitement, while a mall's interior design had the strong influence on customers' desire to stay longer in the mall.

Cross selling and up selling

Szymon Jaroszewicz (2008) Cross-selling is a strategy of selling new products to a customer who has made other purchases earlier. Except for the obvious profit from extra products sold, it also increases the dependence of the customer on the vendor and therefore reduces churn. The definition of cross-selling (according to Wikipedia) is: "Cross-selling is the strategy of selling other products to a customer who has already purchased (or signaled their intention to purchase) a product from the vendor.

Customer access through technology

Injazz J. Chen and Karen Popovich (2003) Customer relationship management (CRM) is a combination of people, processes and technology that seeks to understand a company's customers. It is an integrated approach to managing relationships by focusing on customer retention and relationship development. CRM has evolved from advances in information technology and organizational changes in customer-centric processes. (Fickel, 1999) CRM technology applications link front office (e.g. sales, marketing and customer service) and back office (e.g. financial, operations, logistics and human resources) functions with the company's customer "touch points" Peppers and Rogers, (1999) In some organizations, CRM is simply a technology solution that extends separate databases and sales force automation tools to bridge sales and marketing functions in order to improve targeting efforts. Other organizations consider CRM as a tool specifically designed for one-to-one

Research Methodology

In order to accomplish the objective of the study to collect data for this research study, both primary and secondary sources were used. Secondary data collected through the researcher-reviewed articles related to research objective that appeared in the scholarly literature, key journals, reports, magazines and proceeding were systematically scanned for articles related to the research topic. Primary data collected through an empirical investigation, online survey was conducted, using a structure questionnaire. Present study consists the questionnaire of two parts. The questionnaire measures CRM practices at shopping mall on a five point scale ranging from (i) strongly disagree to (5) "strongly agree" Sample was collected on the basis of non-probabilistic convenience sampling method. The sampling method followed in the study is non-probabilistic-sampling method. The data collected for pretest are through online survey. E-mail id's were gathered from various sources belonging to India. Questionnaire for the pretest was designed on web portal of quia.com. The population in this study comprise of customer who loves shopping malls at Bangalore. It is decided to choose in order to collect the data a through online survey structured questionnaire was formed Questionnaires were distributed amongst the sample of 750 But received 555



customers respondents of shopping mall in September 2014. The data was collected tying a survey and interpretation through to check the reliability of the data cronbach alpha test was applied in order to find out the most preferable CRM practices shopping malls view point correlation and regression was applied. All the analysis was carried out by SPSS 16.0

ANALYSIS AND INTERPRETATION

Appendix I Questionnaire: Analysis and interpretation s- Demographic factors - sample method The distribution of participants Demographic characteristics

Demographics	Number of respondents	Valid Percentage
A) Gender		
Male	313	56.4
Female	242	43.6
B) Age		
17-25	123	22.2
26-35	163	29.4
36-45	165	29.7
46-60	59	10.6
60 Above	45	8.1
C) Education		
Undergraduate	49	8.8
Graduate	207	37.3
Postgraduate	299	53.9
D) INCOME		
Less than 10000	39	7.0
10000 - 20000	135	24.3
20001 - 30000	150	27.0
30001 - 40000	89	16.0
40001 - 50000	75	13.5
More than - 50000	67	12.1
E) Work status		
Employee	229	41.3
Employer	88	15.9
House wife	58	10.5
Student	130	23.4
Retired	19	3.4
Unemployed	31	5.6
Total	555	100.0

Source: Collected from primary data

A total number 555 respondent participated in the survey the demographic characteristics the respondent (Table) shows that the sample consisted, majority of respondents 56.4 percent of male and 43.6 percent female respectively. The analysis shows that age composition of the sampled respondents has major categories of

customers were 29.7 percent of the respondents were between groups 36-45. The respondents were mostly between the ages 27.5 percent of age groups 26-35, this shows the majority of the respondents were in the group of middle age persons shows much more influencing to come for shopping malls at Bangalore city. Education qualification of the consumer is also considered for the analysis, 53.9 percent are Post graduates, and 37.3 percent have consumers have graduation. 8.8 percent have under graduate are reported that education level play more significant dominated to give preferences and exportations to purchase, dine, entertainment in shopping malls. It is observed from the monthly income of the respondents that 27.1percent of the (20,001 – 30,000) income groups, 24.3 percent of the (10,000 – 20,000) income groups and it is followed by 16 percent in the income group of 30,000 – 40,000, 13.5 percent lies in the inform group of (40,001 - 50,000) and 12.1 percent consumer have their income in the group of more than 50,000 is making happy and joy shopping mall an attractive place for shopping malls at Bangalore city

1) The customer involvement in Shopping mall

A) Do you like Mall culture

Yes	463	83.4
No	92	16.6

B) Do you like Shopping mall Nature

Frequent	376	67.7
In Frequent	179	32.3

C) What do you prefer in Mall

Shop	177	31.9
Dine	119	21.4
Entertainment	131	23.6
Movies	128	23.1

D) Which days you like shopping Malls

Normal days	195	35.1
Weekends	360	64.9

E) How many times do you visit a malls in month

1-2 Times	150	27.0
2-3 Times	131	23.6
3-4 Times	160	28.8
4-More	114	20.5

F) What time you like to visit a Malls in a day

Morning Times	66	11.9
Afternoon Times	138	24.9

Evening Times	244	44.0
Night Times	107	19.3
G) Approximate time you spend at a Malls		
1 hour	95	17.1
2-3 hour	198	35.7
4-5 hour	111	20.0
5-above	151	27.2
H) Mode of payment		
Cash in hand	199	35.9
Debit card	237	42.7
Credit card	119	21.4
I) Sources of Awareness		
friends	109	19.6
family	77	14.9
T.V	86	15.5
radio	53	9.5
Newspapers	103	18.5
internet	69	12.5
magazines	58	10.5

Source: Collected from primary data

- A) An overwhelming majority of the respondents. 83.4 percent like mall culture and 16.6 percent form a negligible like mall culture.
- B) 67.7percent of customer are frequent visit shopping malls purposely and 32.3percent of customer are in frequent visit shopping malls in Bangalore city.
- C) The results depict that 46percent of the respondents understandably; the preferences were in favor of shop, 23 percent entertainment, 20 percent movies, and 11 percent to dine in the shopping malls.
- D) It is clear from the results that the customer are showing the interest 64.9 percent to visit the shopping malls weekends, 35.1 percent showing the interest normal days. As per customer per highlight that visit shopping mall only weekends.
- E) As per consumer's 28.8 percent 3 – 4 times visit a shopping malls per month, 27.0 percent of the respondents 1 – 2 times to visit a malls, 23.6 percent 2 – 3 times to visit a malls per month.
- F) The study identified the perception towards time you like to visit a mall in a day, they explained that 44 percent shopping is affordable on evening times, 24.9 percent after noon times, 19.3 percent say prefer to (shop, dine, entertainment, movies) on night times (up

to closing time of shop malls).

- G) According to this study collected their opinion on approximate time you spend at a malls, customer says, respondents said that 35.7 percent spend a time at a mall 2 –3 hours, 27.2 percent spend a time at a mall 5 above (shop, dine, entertainment, movies) 20.0 percent 4-5 hours respectively.
- H) Respondent rated the mode of payment cash in hand 46 percent, debit card 38 percent, credit card 36 percent, most of the respondent show interest to making cash purchases.
- I) The majority of respondents get sources of awareness of shopping mall through friends 19.6 percent, Newspapers 18.5 percent, T.V 15.5, family 14.9 percent, internet 12.5, radio 9.5 percent, magazines 28 percent, so that people get more awareness about shopping malls by friends, newspapers, T.V, Internet can play major role.
- | J) Reasons why you prefer malls | Number of respondents | Valid Percentage |
|---|-----------------------|------------------|
| Product variety | 122 | 34.2 |
| Closeness to home | 73 | 20.4 |
| Parking | 154 | 43.1 |
| Good quality of merchandise | 150 | 42.0 |
| Entertainment | 120 | 33.6 |
| Discount and offers | 98 | 27.5 |
| Attractiveness of environment | 67 | 18.7 |
| Safe for shopping | 126 | 35.3 |
| Ample of services | 88 | 24.6 |
| All family members can shop at one roof | 167 | 46.7 |
- K) Type of shopping do you interest to purchase in Malls
- | | | |
|---------------------|-----|------|
| Health and Beauty | 65 | 18.2 |
| Gold & Jewelry | 34 | 9.5 |
| Electronics | 122 | 34.2 |
| Home Furniture | 59 | 16.5 |
| Book and stationary | 23 | 6.4 |
| Fashions/cosmetics | 149 | 41.7 |
| Kids wears | 62 | 17.4 |
| Foot wear | 72 | 20.2 |
| Mobiles | 76 | 21.3 |
| Music | 47 | 13.2 |
| Food and grocery | 159 | 44.5 |
| Toys | 39 | 10.9 |
| Sports& outdoors | 23 | 6.4 |
- Multiple responses, Total do not add up to 555
- J) All family members can shop at one roof 46.7



percent, Parking 43.1 percent, Good quality of merchandise 42 percent, product variety 34.5 percent and entertainment 33.6 percent, major reasons to customers prefer shopping malls make for the more attractive through shows malls at Bangalore city. (Multiple responses, total do not add up to 100).

K) The respondent preference and interest to purchase in malls to buy products like foods and grocery 44.5 percent, fashions/cosmetics 41.7 percent and 34.2 percent Electronics, 21.3 percent mobiles, 20.2 percent footwear items make more influence to purchase easy and more comfortable to shop in the malls

CORRELATIONS

CRM Practices of between customer promotional tools organized retail shopping malls

Ho1a: There is no significant positive relationship between customers promotional tools and Customer Satisfaction

Ho1b: There is no significant positive relationship between customers Promotional tools and customer loyalty

Table Correlations

		Customer Satisfaction	Customer loyalty	Customer promotional
Customer Satisfaction	Pearson Correlation	1	.633**	.288**
	Sig. (2-tailed)		.000	.000
	N	555	555	555
Customer loyalty	Pearson Correlation	.633**	1	.289**
	Sig. (2-tailed)	.000		.000
	N	555	555	555
Customer promotional	Pearson Correlation	.288**	.289**	1
	Sig. (2-tailed)	.000	.000	
	N	555	555	555

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

From above table shows hypothesis related to the Pearson correlation (P) value for customer promotional tools and customer satisfaction. The results of customer promotional tools intention revealed an r-value is 0.288 and the significant level is 0.000, which is less than 0.01. The correlation summary of the variables is indicating

which shows the positive and strong relationship between the predictor variable (customer promotion tools) and dependent variables (customer satisfaction) in organized retailing shopping malls. Therefore we reject the null hypothesis and conclude that there is a significant positive (0.288) relationship between customer promotional tools and customer satisfaction in shopping malls at bengaluru city. Coefficient of determination (r^2) of $(.288) = 0.5366 = 53.6\%$ so that 53.6% of the variance in customer satisfaction is explained customer promotional tools. Therefore customer promotional tools which includes which is more important to mall retailers. So, mall retailers can implement the customer promotional tools to make retain the customer in shopping malls.

The Pearson correlation (p) value for CRM Practices of customer promotional tools and customer loyalty is 0.289 and the significant level is 0.01 ($P < 0.01$). The table shows that the p-value is 0.000, which is less than 0.01. The table shows the correlation summary of the variables is indicating which shows the positive and strong relationship between the predictor variable (customer promotional tools) and dependent variable (customer loyalty) in organized retail malls. Therefore we reject the null hypothesis and conclude that there is a significant positive (0.289) relationship between customer promotional tools and customer loyalty in shopping malls at bengaluru city. Coefficient of determination (r^2) of $(0.289) = 0.5366 = 53.6\%$ so that 53.6% of the variance in customer loyalty is explained customer promotional tools. Therefore customer promotional tools which is more important to the mall retailers. So, mall retailers can implement the customer promotional tools to make more loyal customers in shopping malls. Based on this result, H_{1b} was support Therefore; the study is focus on customer promotional tools as a positive relationship to customer loyalty

CRM Practices of customer services organized retail shopping malls

H2a: There is no significant positive relationship between customer services and Customer Satisfaction

H2b There is no significant positive relationship between customer service and Customer loyalty

		Customer Satisfaction	Customer loyalty	Customer promotional
Customer Satisfaction	Pearson Correlation	1	.633**	.299**
	Sig. (2-tailed)		.000	.000
	N	555	555	555
Customer loyalty	Pearson Correlation	.633**	1	.268**
	Sig. (2-tailed)	.000		.000
	N	555	555	555
Customer services	Pearson Correlation	.299**	.268**	1
	Sig. (2-tailed)	.000	.000	
	N	555	555	555

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

From above table shows hypothesis related to the Pearson correlation (P) value for customer services and customer satisfaction. The results of customer services intention revealed an r-value is 0.299 and the significant level is 0.000, which is less than 0.01. The correlation summary of the variables is indicating which shows the positive and strong relationship between the predictor variable (customer services) and dependent variables (customer satisfaction) in organized retailing shopping malls. Therefore we reject the null hypothesis and conclude that there is a significant positive (0.299) relationship between customer services and customer satisfaction in shopping malls at bengaluru city. Coefficient of determination (r²) of (.299) = 0.546 = 54.6 % so that 54.6% of the variance in customer satisfaction is explained customer services. Therefore customer services which influence to motives that customer can visits shopping malls again and again is drive to perceived to made long term relationship in the minds of customers with this shopping malls.

The Pearson correlation (p) value for CRM Practices of customer services and customer loyalty is 0.268 and the significant level is 0.01 (P<0.01). The table shows that the p-value is 0.000, which is less than 0.01. The table shows the correlation summary of the variables is indicating which shows the positive and strong relationship between the predictor variable (customer services) and dependent variable (customer loyalty) in organized retail malls. Therefore we reject the null hypothesis and conclude that there is a significant positive (0.268)

relationship between customer promotional tools and customer loyalty in shopping malls at bengaluru city. Coefficient of determination (r²) of (0.268) = 0.517 = 51.7 % so that 51.7% of the variance in customer loyalty is explained customer services. Therefore customer services where the salient or unsatisfied services levels are make clear and improve some measures those levels to bridge the gap to built long term relationship enhances customers satisfaction and offers a pleasant shopping experiences when the customers are visiting shopping malls. Today “ customers is God “services offered by mall retailers play a major role in meeting customers’ expectations and perception make comfortable better shopping in malls.

CRM Practices of Activities of Mall employees organized retail shopping malls

H3a: There is no significant positive relationship between Activities of Mall employees and Customer satisfaction

H3b There is no significant positive relationship between Activities of Mall employees and Customer loyal

Correlations

		Customer Satisfaction	Customer loyalty	Activities of Mall employees
Customer Satisfaction	Pearson Correlation	1	.633**	.326**
	Sig. (2-tailed)		.000	.000
	N	555	555	555
Customer loyalty	Pearson Correlation	.633**	1	.344**
	Sig. (2-tailed)	.000		.000
	N	555	555	555
Activities of Mall employees	Pearson Correlation	.326**	.344**	1
	Sig. (2-tailed)	.000	.000	
	N	555	555	555

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

From above table shows hypothesis related to the Pearson correlation (P) value for Activities of Mall employees and customer satisfaction. The results of activities of mall employee’s intention revealed an r-value is 0.326 and the significant level is 0.000, which is less than 0.01. The correlation summary of the variables is indicating which



shows the positive and strong relationship between the predictor variable (activities of mall employee's) and dependent variables (customer satisfaction) in organized retailing shopping malls. Therefore we reject the null hypothesis and conclude that there is a significant positive (0.326) relationship between activities of mall employee's and customer satisfaction in shopping malls at bengaluru city. Coefficient of determination (r^2) of $(.326) = 0.570 = 57\%$ so that 57% of the variance in customer satisfaction is explained activities of mall employee's. Therefore activities of mall employee's which influence to mall employees provide more opportunities for customers develop and examine new constructs to customers providing more value information the services to make to visit more footfalls again and again to the shopping malls.

The Pearson correlation (p) value for CRM Practices of activities of mall employee's and customer loyalty is the significant level is 0.01 ($P < 0.01$). The table shows that the p-value is 0.000, which is less than 0.01. The table shows the correlation summary of the variables is indicating which shows the positive and strong relationship between the predictor variable (activities of mall employee's) and dependent variable (customer loyalty) in organized retail malls. Therefore we reject the null hypothesis and conclude that there is a significant positive (0.344) relationship between activities of mall employee's and customer loyalty in shopping malls at bengaluru city. Coefficient of determination (r^2) of $(0.344) = 0.586 = 58.6\%$ so that 58.6% of the variance in customer loyalty is explained activities of mall employee's. Employees will revoked the undesired problems in the mind of customers; and improve more awareness and creating interest select in their purchases. Customer will love the shopping malls places cause of the *employees* and makes it a better place to shop. Mall retailers should select the qualified employees in the selection process and will train the employees. Employed are back boon to push and pull the sales in the shopping malls.

CRM Practices of customer profiling organized retail shopping malls

Ho4a: There is no significant positive relationship between customers profiling and Customer Satisfaction

Ho4b: There is no significant positive relationship between customers profiling and customer loyalty

		Customer Satisfaction	Customer loyalty	Customer profiling
Customer Satisfaction	Pearson Correlation	1	.633**	.133**
	Sig. (2-tailed)		.000	.002
	N	555	555	555
Customer loyalty	Pearson Correlation	.633**	1	.288**
	Sig. (2-tailed)	.000		.000
	N	555	555	555
Customer profiling	Pearson Correlation	.133**	.288**	1
	Sig. (2-tailed)	.002	.000	
	N	555	555	555

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

From above table shows hypothesis related to the Pearson correlation (P) value for customer profiling and customer satisfaction. The results of customer profiling intention revealed an r-value is 0.133 and the significant level is 0.000, which is less than 0.01. The correlation summary of the variables is indicating which shows the positive and strong relationship between the predictor variable (customer profiling) and dependent variables (customer satisfaction) in organized retailing shopping malls. Therefore we reject the null hypothesis and conclude that there is a significant positive (0.133) relationship between customer profiling and customer satisfaction in shopping malls at bengaluru city. Coefficient of determination (r^2) of $(.133) = 0.364 = 36.4\%$ so that 36.4% of the variance in customer satisfaction is explained customer profiling. Customer profiling is a data mining process that builds customer profiles of different groups from the shopping malls. Mall retailers will identified and collected the data from the customers near by the stores by this they will easy to target the customers and selling the goods and services directly to the customers, make good relation with them.

The Pearson correlation (p) value for CRM Practices of customer profiling and customer loyalty is 0.289 and the significant level is 0.01 ($P < 0.01$). The table shows that the p-value is 0.000, which is less than 0.01. The table shows the correlation summary of the variables is indicating which shows the positive and strong relationship between the predictor variable

(customer profiling) and dependent variable (customer loyalty) in organized retail malls. Therefore we reject the null hypothesis and conclude that there is a significant positive (0.288) relationship between customer profiling and customer loyalty in shopping malls at bengaluru city. Coefficient of determination (r^2) of (0.288) = $0.536 = 53.6\%$ so that 53.6% of the variance in customer loyalty is explained customer profiling. Therefore customer profiling which is more important to the mall retailers. So, mall retailers can implement the customer profiling likely to know the places where people are live and underlying the characteristics and behavior of the customers to build a profiles to make more loyal customers in shopping malls. Based on this result, H_{1b} was support Therefore; the study is focus on customer profiling tools as a positive relationship to customer loyalty

CRM Practices of Mall presentation organized retail shopping malls

Ho5a: There is no significant positive relationship between Mall presentation and Customer Satisfaction

Ho5b: There is no significant positive relationship between Mall presentation and customer loyalty

Correlations

		Customer Satisfaction	Customer loyalty	Customer profiling
Customer Satisfaction	Pearson Correlation	1	.633**	.528**
	Sig. (2-tailed)		.000	.000
	N	555	555	555
Customer loyalty	Pearson Correlation	.633**	1	.358**
	Sig. (2-tailed)	.000		.000
	N	555	555	555
Mall presentation	Pearson Correlation	.528**	.358**	1
	Sig. (2-tailed)	.000	.000	
	N	555	555	555

From above table shows hypothesis related to the Pearson correlation (P) value for Mall presentation and customer satisfaction. The results of Mall presentation intention revealed an r-value is 0.528 and the significant level is 0.000, which is less than 0.01. The correlation summary of the variables is indicating which shows the positive and strong relationship between the predictor variable (Mall presentation) and dependent variables (customer satisfaction) in organized

retailing shopping malls. Therefore we reject the null hypothesis and conclude that there is a significant positive (0.528) relationship between Mall presentation and customer satisfaction in shopping malls at bengaluru city. Coefficient of determination (r^2) of (.726) = $0.726 = 72.6\%$ so that 72.6% of the variance in customer satisfaction is explained Mall presentation. Mall presentation is play important role in shopping malls retailers should look and bring modern scientific design in outlook and equipment, Interior and exterior decorations are beautification, The navigations and signs boards arranged correctly and easy for customers to move around the store, Pleasant relaxing ambiance, Lighting and music, Display of windows and fixtures, to encourage the new style of purchase of goods/services in the shopping malls.

The Pearson correlation (p) value for CRM Practices of Mall presentation and customer loyalty is 0.358 and the significant level is 0.01 ($P < 0.01$). The table shows that the p-value is 0.000, which is less than 0.01. The table shows the correlation summary of the variables is indicating which shows the positive and strong relationship between the predictor variable (Mall presentation) and dependent variable (customer loyalty) in organized retail malls. Therefore we reject the null hypothesis and conclude that there is a significant positive (0.358) relationship between Mall presentation and customer loyalty in shopping malls at bengaluru city. Coefficient of determination (r^2) of (0.358) = $0.536 = 53.6\%$ so that 53.6% of the variance in customer loyalty is explained Mall presentation. Therefore Mall presentation which is more important to the mall retailers. Malls are fast becoming a place for socializing and recreation so, mall retailers can implement the Mall presentation like interior design, décor and lightning of the malls were observed to have received high acceptance from the respondents.

CRM Practices of cross selling and up selling in organized retail shopping malls

Ho6a: There is no significant positive relationship between of cross selling and up selling and Customer Satisfaction

Ho6b: There is no significant positive relationship between of cross selling and up selling and customer loyalty



		Customer Satisfaction	Customer loyalty	Customer selling and up selling
Customer Satisfaction	Pearson Correlation	1	.633**	.517**
	Sig. (2-tailed)		.000	.000
	N	555	555	555
Customer loyalty	Pearson Correlation	.633**	1	.319**
	Sig. (2-tailed)	.000		.000
	N	555	555	555
Cross selling and Up selling	Pearson Correlation	.517**	.319**	1
	Sig. (2-tailed)	.000	.000	
	N	555	555	555

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

From above table shows hypothesis related to the Pearson correlation (P) value for cross selling and up selling and customer satisfaction. The results of cross selling and up selling intention revealed an r-value is 0.517 and the significant level is 0.000, which is less than 0.01. The correlation summary of the variables is indicating which shows the positive and strong relationship between the predictor variable (cross selling and up selling) and dependent variables (customer satisfaction) in organized retailing shopping malls. Therefore we reject the null hypothesis and concluding that there is a significant positive (0.517) relationship between cross selling and up selling and customer satisfaction in shopping malls at bengaluru city. Coefficient of determination (r^2) of (.719) = 0.719 = 71.9% so that 71.9 percent of the variance in customer satisfaction is explained cross selling and up selling. cross selling and up selling is play important role in shopping malls retailers in the shopping malls. Cross selling and up selling is very necessary for any business to generate the sales and make profitably. CRM Practices of cross selling and up selling is making easy to find the product for customer to purchases earlier. Cross-selling and up selling is one of the most useful tools in a salesperson's tool box when it comes to increasing sales volume per customer.

The Pearson correlation (p) value for CRM Practices of cross selling and up selling and customer loyalty is 0.319 and the significant level is 0.01 ($P < 0.01$). The table shows that the p-value is 0.000, which is less than 0.01. The table shows the correlation summary of the variables is indicating which shows the positive and strong relationship between the predictor variable (cross

selling and up selling) and dependent variable (customer loyalty) in organized retail malls. Therefore we reject the null hypothesis and conclude that there is a significant positive (0.319) relationship between cross selling and up selling and customer loyalty in shopping malls at bengaluru city. Coefficient of determination (r^2) of (0.319) = 0.564 = 56.4 % so that 56.4 % of the variance in customer loyalty is explained cross selling and up selling. Therefore cross selling and up selling which is more important to the mall retailers. The cross selling and up selling has become a valuable practice for customer development, customer relationship, improving customer retention and effective in inbound than outbound customer contacts. Cross-selling and up selling must be implemented through carefully targeted customer contacts, to offer the right product to the right customer at the right time.

CRM Practices of customer access through technology in organized retail shopping malls.

Ho7a: There is no significant positive relationship between customer access through technology and Customer Satisfaction

Ho7b: There is no significant positive relationship between of customer access through technology and customer loyal

		Customer Satisfaction	Customer loyalty	Customer access through technology
Customer Satisfaction	Pearson Correlation	1	.633**	.123**
	Sig. (2-tailed)		.000	.004
	N	555	555	555
Customer loyalty	Pearson Correlation	.633**	1	.249**
	Sig. (2-tailed)	.000		.000
	N	555	555	555
Customer access through technology	Pearson Correlation	.123**	.249**	1
	Sig. (2-tailed)	.004	.000	
	N	555	555	555

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

From above table shows hypothesis related to the Pearson correlation (P) value for customer access through technology and customer satisfaction. The results of customer access through technology intention revealed an r-value is 0.123 and the

significant level is 0.000, which is less than 0.01. The correlation summary of the variables is indicating which shows the positive and strong relationship between the predictor variable (customer access through technology) and dependent variables (customer satisfaction) in organized retailing shopping malls. Therefore we reject the null hypothesis and concluding that there is a significant positive (0.123) relationship between customer access through technology and customer satisfaction in shopping malls at Bengaluru city. Coefficient of determination (r^2) of $(.350) = 0.350 = 35\%$ so that 35 percent of the variance in customer satisfaction is explained customer access through technology. Customer access through technology is play important role in shopping malls retailers in the shopping malls. Technology was installed it would help businesses in the area get more information about customer movements. Technology is tools form the foundation upon which any successful CRM practices is built, the rapid growth of the opportunities for marketing and has transformed the way relationships between companies and their customers are managed. Technologies such as data warehousing, data mining, and campaign management software have made customer relationship management a new area where firms can gain a competitive in the shopping malls.

The Pearson correlation (p) value for CRM Practices of customer access through technology and customer loyalty is 0.249 and the significant level is 0.01 ($P < 0.01$). The table shows that the p -value is 0.000, which is less than 0.01. The table shows the correlation summary of the variables is indicating which shows the positive and strong relationship between the predictor variable (customer access through technology) and dependent variable (customer loyalty) in organized retail malls. Therefore we reject the null hypothesis and conclude that there is a significant positive (0.249) relationship between customer access through technology and customer loyalty in shopping malls at Bengaluru city. Coefficient of determination (r^2) of $(0.498) = 0.498 = 49.8\%$ so that 49.8 % of the variance in customer loyalty is explained customer access through technology. Therefore customer access through technology

which is more important to the mall retailers. It is a widely implemented step for managing a company's interactions with customers, clients, and sales prospects. Technology to organize, automates, and synchronizes business processes—principally sales activities, but also those for marketing, customer service, and technical support. The overall goals are to find, attract, and win new clients, service and retain those the company already has, entice former clients to return services in shopping malls at Bangalore city.

CRM Practices of customer satisfaction in organized retail shopping malls.

H8: There is no significant positive relationship between of Customer satisfaction and customer loyalty

		Customer Satisfaction	Customer loyalty
Customer satisfaction	Pearson Correlation	1	.633**
	Sig. (2-tailed)		.000
	N	555	555
Customer loyalty	Pearson Correlation	.633**	1
	Sig. (2-tailed)	.000	
	N	555	555

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

The Pearson correlation (p) value for Customer satisfaction and customer loyalty is 0.633 and the significant level is 0.01 ($P < 0.01$). The table shows that the p -value is 0.000, which is less than 0.01. The table shows the correlation summary of the variables is indicating which shows the positive and strong relationship between the predictor variable (Customer satisfaction) and dependent variable (customer loyalty) in organized retail malls. Therefore we reject the null hypothesis and conclude that there is a significant positive (0.633) relationship between Customer satisfaction and customer loyalty in shopping malls at Bengaluru city. Coefficient of determination (r^2) of $(0.795) = 0.795 = 79.5\%$ so that 79.5 % of the variance in customer loyalty is explained Customer satisfaction. Therefore Customer satisfaction which is more important to the mall retailers.

Regression model 1 summary

Model 1 Customer satisfaction:

Step-Wise Hierarchal Multiple Regression with customer satisfaction as Dependent Variable

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			Sig. F Change	
					R Square Change	F Change	df1		
1	.651 ^a	.424	.417	.52384	.424	57.581	7	547	.000

a. Predictors: (Constant), CT, DM, P, cs, ucs, AME, cp

ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	110.607	7	15.801	57.581	.000 ^a
Residual	150.103	547	.274		
Total	260.710	554			

a. Predictors: (Constant), CT, DM, P, cs, ucs, AME, cp

b. Dependent Variable: CR

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	.432	.222			1.950	.052
cp	.111	.044	.099		2.546	.011
cs	.092	.048	.071		1.905	.057
AME	.082	.040	.076		2.032	.043
DM	.059	.027	.072		2.162	.031
P	.296	.035	.318		8.398	.000
ucs	.346	.036	.349		9.709	.000
CT	-.075	.041	-.066		-1.823	.069

a. Dependent Variable: CR

Module - 1

Based on the module summary it is evident that the CRM practices overall has positive relationship with customer satisfaction (R=0.651). However based on the adjusted R square value of 0.417, these CRM practices only contribute 41.7percent to dependent variables. The correlation matrix indicates a positive relationship between all CRM practices and customer satisfaction. Therefore, Hypothesis H1_a, H2_a, H3_a, H4_a, H5_a, H6_a, H7_a was supported. However of seven CRM practices, only

mall presentation (b=0.29, P<0.5) and cross selling and up selling (b=0.34, P<0.5) given significant impact to customer satisfaction. However, the result do not confirm the predicted positive effects of customer promotion tools ($\beta=0.92$, P<0.001), customer services ($\beta=0.08$, P<0.001), activity of mall employ as ($\beta=0.08$, P<0.001), customer profiling ($\beta=0.59$, P<0.001) and customer access through technology ($\beta=0.75$, P<0.001). The hypothesized relationships H1a, H2a, H3a, H4a, and H7a thus are not supported. When the result of this study indicate that customer promotional tool customer services activities of mall employees, customer profiling and customer access through technology do not have a significant influence on customer satisfaction. It cannot automatically be concluded that these parameters should be neglected. The correlation matrix indicates that customer promotional tool, customer services, activities of mall employees, customer profiling, and customer access through technology support are positively correlated to satisfaction individually. However, simple regression indicates that these variables explain a smaller proportion of the variance than the variables mall presentation and cross selling / up selling do individually with in the frame work of this study, a suggestion could be that the customer promotional tool customer services, activities of mall employees, customer profiling and customer access through technology might have an indirect effect on customer satisfaction through the mall presentation and cross selling / up selling constructs

Regression model 2 summary Customer loyalty

Step-Wise Hierarchal Multiple Regression with as Customer loyalty DependentVariable

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	.551 ^a	.303	.294	.58326	.303	34.018	7	547	.000

a. Predictors: (Constant), CT, DM, P, cs, ucs, AME, cp

ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	81.010	7	11.573	34.018	.000 ^a
Residual	186.087	547	.340		
Total	267.097	554			

a. Predictors: (Constant), CT, DM, P, cs, ucs, AME, cp

b. Dependent Variable: LO

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	-.054	.247			-.219	.027
cp	.115	.049	.101		2.368	.018
cs	.114	.054	.087		2.119	.035
AME	.147	.045	.134		3.268	.001
DM	.213	.030	.255		6.996	.000
P	.147	.039	.156		3.739	.000
ucs	.142	.040	.141		3.569	.000
CT	.142	.046	.123		3.075	.002

Module - 2

Based on the module summary it is funded that the CRM practices overall has positive relationship with customer loyalty (R=0.551). However based on the adjust R square value of 0.294, these CRM practices only contribute 29.4percent to

dependent variables. The correlation matrix indicates a positive relationship between all CRM practices and customer loyalty. Therefore, Hypothesis H1_b, H2_b, H3_b, H4_b, H5_b, H6_b, H7_b was supported. However of seven CRM practices, only activities of mall employees (=0.41, P<0.5) customer profiling (=0.21, P<0.5), mall presentation (=0.147, P<0.5) cross selling and up selling (=0.142, P<0.5) and customer access through technology. (=0.142, P<0.05) given significant impact to customer loyalty. However, the result do not confirm the predicted positive effects of customer promotional tool, (=0.114, P<0.001) and customer services (=0.115, P<0.001) the hypothesized relationship H1_b, H2_b thus are not supported. When the results of this study indicate to discuss that customer promotional tools and customer services do not have a significant influence on customer loyalty. It cannot automatically be concluded that these parameters should be neglected. The correlation matrix indicates that customer promotional tools and customer services are positively correlated to customer loyalty individually. However, simple regression indicates that these variables explain a smaller proportion of the variance than the variable activities of mall employees, customer profiling, mall presentation, cross selling and up selling, customer access through technology .

Model : 3 Customer satisfaction and Customer loyalty

Model Summary

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	.633 ^a	.400	.399	.53165	.400	369.375	1	553	.000

a. Predictors: (Constant), LO



ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	104.404	1	104.404	369.375	.000 ^a
Residual	156.306	553	.283		
Total	260.710	554			

a. Predictors: (Constant), LO

b. Dependent Variable: CR

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	1.592	.116			13.676	.000
LO	.625	.033	.633		19.219	.000

a. Dependent Variable: CR

This finding shows the R square value of 0.633. it means that the customer satisfaction is contributing to the customer loyalty by 63.3percent to dependent variables. The correlation matrix indicates a positive relationship between at the customer satisfaction and customer loyalty. Therefore hypothesis H8 was supported. However customer satisfaction given significant impact to customer loyalty. The positive relationship between customer satisfaction and loyalty as the result indicate my neither be surprising nor exciting. High levels of satisfaction will customer feel to make long term relationship with mall retailers. The satisfaction measures are used as a synonym to the loyalty measure (Hunt S.D, Nevin S.R., 1977) the results indicate that the two variables are concepts with different contents. The results indicate that customer satisfaction is one of several predictors with influences customer loyalty in shopping malls.

CONCLUSION

Customer Relationship Management (CRM), also referred to as Relationship Marketing, is heralded by some marketing academics and practitioners as the new paradigm of marketing. CRM practices influence organizational competitiveness but this influence is intervened by marketing productivity and moderated by a number of organizational factors, namely: age, size and ownership of the organization; type of the customer market being served; corporate reputation; duration of CRM implementation; and technology level in the organization.

KEY LIMITATION FOR FUTURE RESEARCH

Through the present study has covered all the fundamental aspects of CRM practices in shopping mall, the survey was limited to only Bangalore city in the south India. The future study may conduct the other regions of India to have a comparative view of consumer and retailers. The data was collected only 6 to 7 shopping malls at Bangalore city. In Bangalore city 25 – 20 mall located but all malls are not covered the sample size in this study selected minimum shopping malls. The sample size may not be representative of the population; therefore, a small simple size selected in shopping mall is one of the major limitations of this study. Further case study analysis can be taken up by covering some specific shopping mall; it will help to validate the result on the basis of case studies. It was noted that some respondents wanted to say more about the shopping malls but the questionnaire was not designed in a manner that allowed them to elaborate

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A Study on Customer Expectations on Retail Services: A Consumer Survey from Hyderabad, India

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ABSTRACT

Retail service is a series of activities designed to enhance the level of customer satisfaction. The purpose of this study is to find out the highly expected retail services by the customer from the retailers. This study observes the existing retail services in practice and then finds out the highly expected retail services by the customer, thereby offering recommendations to the retailers to concentrate on those retail services which are highly expected by the customers. But each and every retail service is an independent activity that will enhance the level of customer satisfaction. For this purpose, Multivariate Analysis is adopted to know the propertities of customers regarding retail services for better shopping experience.

Key words: Retail Services; Customer expectations; Shopping expectations and Priorities: Multivariate Analysis

INTRODUCTION

Retail service is a series of activities designed to enhance the level of customer satisfaction. Retail Service activities mainly includes providing product information on current offers, door delivery service, after sales services like alteration of cloths, processing guaranties and warranties on consumer electronics and furniture, attending customer complaints, announcements of current offers, instant billing without waiting, parking facility for all vehicles, sales people availability in each department, availability of all required products, providing exchange facility on some goods etc.

As a part of the Indian government's strategy to gradually open up the retail sector to foreign competition, the 2005 budget allowed 26 percent foreign direct investment (FDI) in the sector. Indian government recently reopened its gates for global retailers by increasing FDI up to 51 percent in retail sector for both single branded and multi branded retailing. **Some of the global retail giants like Wal-Mart already started their operations with joint ventures with Indian corporate whereas others are in plans to enter into Indian retail sector with their brands. When compared to Indian retailers, International retailers are equipped with advanced managerial concepts, latest technology, research base etc. Here the biggest challenge is how Indian retailers can**

compete with international retailers in pulling the customer towards the retail outlets. With this recently changed scenario in Indian retail sector, an attempt has been made to provide assistance for the Indian retailers by informing them about the highly expected retailer services by the customers.

According to Srivastava (2008), Consumer choice of shopping malls over traditional market stores is influenced by various factors like ambience, assortment, sales promotion schemes and in-store services. Jain and Bagdare (2009) determined that the major determinants of modern retail formats are Layout, ambience, display, self service, value added services, technology based operations and many more dimensions with modern outlook and practices. Sinha and Uniyal (2005) stated that on one hand impulse buying and brand switching behavior has become more evident and on the other hand unnecessary shopping has increased leading to consumers buying goods which are non-essential. The Malls, convenience stores, department stores, hyper/supermarkets, discount stores and specialty stores are the emerging retail formats that provide different shopping experience to consumers (Sinha and Uniyal, 2005). Further Sinha and Uniyal (2005) in their study found that The Malls, convenience stores, department stores, hyper/supermarkets, discount stores and specialty

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stores are the emerging retail formats that provide different shopping experience to consumers.

OBJECTIVES OF THE STUDY

1. To study the existing retail services in the retail sector.
2. To study socioeconomic characteristics of the customers in the study area.
3. To know the customer expectations on retail services offered by the customer for better shopping experience.
4. To identify highly expected retail services by customers using multivariate analysis.

METHODOLOGY OF THE STUDY

The methodology of the study is designed in unique way to know the **highly expected retail services by customers**. The study is mainly an empirical one and the variables used are both quantitative and qualitative in nature. The study is based on both primary and secondary data. The secondary data was collected from various in-house magazines of corporate outlets, retail and marketing journals etc. The primary data is collected from 600 customers shopping in different leading organized retail outlets in Hyderabad like Big Bazaar, More, Spencer's, Pantaloons, Central etc.

Sampling technique: Simple Random Sampling

Sample Size: 600

Study Area: Hyderabad

Retail format: All-in-one shopping malls, Hypermarkets

Research Instrument: A structured questionnaire has been designed specifically to elicit the opinions of respondents depending on objectives of the study. Firstly the questionnaire concentrates on analysing socio-economic characteristics of the customers shopping in organised retail outlets in Hyderabad, secondly asking the customers to provide their expectations on a five point likert scale regarding twenty identified retail services in the study area. Questions in the questionnaire are framed in such a manner that the respondent gives their opinion mostly for questions on a five point likert scale, in some cases with given options and also open-ended questions sometimes. Scaling technique used to quantify the variables is explained in detail the forgoing analysis. The

following statistical methods are used in the analysis.

STATISTICAL TOOLS

Cronbach's Alpha: The value was calculated for the questionnaire administrated in order to determine the reliability of the data where the alpha value is greater than .70 is the recommended level: (Bernardi 1994). For this study, Cronbach's Alpha value is calculated as .782 for 600 cases/sample which indicates that the data have relatively higher internal consistency.

Multivariate Analysis: Multivariate analysis (MVA) is based on the statistical principle of multivariate statistics, which involves observation and analysis of more than one statistical outcome variable at a time. In design and analysis, the technique is used to perform trade studies across multiple dimensions while taking into account the effects of all variables on the responses of interest (T. W. Anderson, 1958). Statistical procedure for analysis of data involving more than one type of measurement or observation. It may also mean solving problems where more than one dependent variable is analyzed simultaneously with other variables (businessdictionary.com).

Factor Analysis: In social sciences and especially in behavioral studies, variables cannot be measured directly. Such variables are usually referred as "latent" variables and can be measured by qualitative propositions to reflect the perceptions of the respondents. The factors generated are used to simplify the interpretation of the observed variables. Hair et al. (2006) well defined the meaning of factor loadings and scores in words. Factor loadings are the correlation of the original variables (retail services) and factors and loadings indicate the degree of correspondence between the variable and the factor. It is a statistical technique used for determining the underlying factors or forces among a large number of interdependent variables or measures (Krishnaswami and Ranganatham 2007). Therefore, higher loadings make the variable representative of the factor and loadings are the means of interpreting the role of each variable in defining each factor.

Eigen values: A factor's Eigen value may be computed as the sum of its squared factor loadings for all the variables. The ratio of Eigen values is the ratio of explanatory importance of the factors



with respect to the variables. The Eigen value for a given factor reflects the variance in all the variables, which is accounted for by that factor. Eigen Value or Latent root is the sum of squared values of factor loadings relating to a factor (Krishnaswami and Ranganatham 2007).

PROFILE OF THE STUDY AREA: HYDERABAD

Hyderabad is the capital city of the southern Indian state of Andhra Pradesh. Occupying 650 square kilometres (250 sq mi) on the banks of the Musi River, it is also the largest city in the state. Historically, Hyderabad was known for its pearl and diamond trading centres. Industrialisation brought major Indian Manufacturing, R&D, and Financial Institutions to the city, such as the Bharat Heavy Electricals Limited, the Defence Research and Development Organisation, the Centre for Cellular and Molecular Biology and the National Mineral Development Corporation. The formation of an Information Technology (IT) Special Economic Zone (SEZ) by the state agencies attracted global and Indian companies to set up operations in the city. The emergence of Pharmaceutical and Biotechnology industries during the 1990s earned it the titles of “India’s pharmaceutical capital” and the “Genome Valley of India”. The Telugu film industry is based in Hyderabad. Hyderabad Urban Agglomeration has a population of 7,749,334, making it the sixth most populous urban agglomeration in the country. There are 3,500,802 male and 3,309,168 female citizens—a sex ratio of 945 females per 1000 males, higher than the national average of 926 per 1000. Among children aged 0–6 years, 373,794 are boys and 352,022 are girls—a ratio of 942 per 1000. Literacy stands at 82.96% (male 85.96%; female 79.79%), higher than the national average of 74.04%.

SOCIO - ECONOMIC PROFILE OF RESPONDENTS

In this section an attempt has been made to analyse the socio-economic characteristics of respondents as presented in table 1. Out of total 600 sample respondents, 58% are male and 42% are female. The respondents are categorised into five groups based on their age. Out of total sample,

4% are teenagers (13 – 19 years), 64% are from young age (20 – 30 years), 16% are from early middle age (31 – 40 years), 13% belong to late middle age (41 – 50 years) and 3% are from old age (above 50 years). Based on occupation, the respondents are categorised into three groups, unemployed/students (5%), employed (72%) and business people (23%). Based on the education, 2% respondents completed primary education, 5% have secondary education, 18% completed higher secondary education, 40% are graduated, 32% have post graduation qualification and 5% are higher post graduates. Based on the income levels, the respondents are categorised into four groups. 25% are having monthly income less than Rs.15,000/-, 28% have income between Rs.15,000/- and Rs.30,000/-, 23% have income between Rs.30,000/- and Rs.50,000/-, another 23% respondents have income more than Rs.50,000/-. The family size of respondents are also analysed, 24% have family size two, 27% have size three, 40% are having family size four, 8% have five and 2% of respondents are having size six.

ANALYZING HIGHLY EXPECTED RETAIL SERVICES USING FACTOR ANALYSIS APPROACH

Since all the expected retail services are dependent variables, multivariate analysis is applied on the data of expected retail services. One of the tools in multivariate analysis i.e. factor analysis was applied on the data to know the highly expected retail services by the customers. In this section an attempt has been made to analyze highly expected retail services to be measured. The customers were asked to respond on a five point likert scale (Highly-Expected [5], Expected [4], Slightly- Expected [3], Unexpected [2], Highly- Unexpected [1]) regarding 20 variables which were identified on the basis of previous studies and interviews. To determine the data reliability, Reliability test was performed on the data of expected retail services. The value of the Cronbach’s Alpha is found to be .803, which shows the data of expected retail services is 80.3% reliable which ensures to proceed for further analysis.

Reliability of Data: Kaiser Meyer Olkin (KMO) and Bartlett's Test for Highly Expected Retail Services

To determine the appropriateness of factor analysis on the identified customer expected retail services, Kaiser Meyer Olkin (KMO) and Bartlett's Test was performed as shown in table 2. The KMO measure is observed to be 0.782 which is higher than the threshold value of .5 (Hair et al. 1998). So it can be interpreted that there is no error in 78.2% of the sample and remaining 11.8% there may occur some sort of error. Bartlett's Test of Sphericity ($c^2 = 5437.628$) is found to be significant ($p < .001$, $df = 190$). Finally it can be concluded that the data collected on expected retail services is appropriate for factor analysis.

Factor analysis was used to remove the redundant variables from the survey data and to reduce the number of variables into a definite number of dimensions. The application was done in SPSS 16.0. The factor analysis was performed using principle component extraction method with varimax rotation. After performing factor analysis, the twenty variables were reduced to six factor dimensions, which explained 67.84% of cumulative variance which is indicating that the variance of original values was captured by these six factors as shown in table 4. The six factors are suitably named as Information, Layout & Design Facilities, Packing Services, Post Purchase Services, Return Policy and Credit Facilities. The factor scores of highly expected retail services are presented in the table 3. All these six factors are formed with eighteen variables i.e. highly expected retail services. Each formed factor is provisionally named depending on the variables it is formed. Two variables, Baby Care Services and Mail Order Delivery are eliminated while performing factor analysis with statistical package SPSS.

FACTOR SCORES MATRIX - HIGHLY EXPECTED RETAIL SERVICES

FACTOR 1: INFORMATION

The first factor is named as Information with an Eigen value of 5.21, variance of 24.54% and four associated variables. The associated variables are Available Stock (factor score 0.83), Establishment of Call Center (0.81), Help desk (0.75) and

Providing Information of Offers (0.62).

FACTOR 2: LAYOUT & DESIGN

The second factor formed is Layout & Design related services with an Eigen value of 2.81, variance of 14.31% and four associated variables. The associated variables are Provision of Rest rooms (0.79), Parking Facilities (0.75), Interiors and Layout Design (0.63) and Accessibility (0.50).

FACTOR 3: PACKING SERVICES

The third factor is named as Packing with an Eigen value of 2.21, variance of 12.21% and three associated variables. The associated variables are Gift Wrapping (0.80), Quick Packing of purchased goods (0.73) and Right delivery (0.53).

FACTOR 4: POST PURCHASE SERVICES

The fourth factor formed is Post Purchase Services with an Eigen value of 1.45, variance of 6.45% and three associated variables. The associated variables are Alteration Services (0.82), Processing Guarantees & Warrantees (0.62) and Installation Services (0.50).

FACTOR 5: RETURN POLICY

The fifth factor is named as Return policy with an Eigen value of 1.35, variance of 5.21% and two associated variables. The associated variables are Exchange of purchased goods (0.80) and Return Timings (0.70).

FACTOR 6: CREDIT POLICY

The sixth factor formed is Return Policy with an Eigen value of 1.11, variance of 5.12% and two associated variables. The associated variables are Credit to customers (0.74) and Acceptance of Credit Cards (0.62).

SUGGESTIONS AND CONCLUSIONS

The factor scores in the factor scores matrix, shown in table 4 represent the priority of Highly Expected Retail Services. The Retailers have to provide the retail services as per the priority given by the factor scores matrix. That means, any retailer when they are providing retail services to the customers, as per the findings of the study, first the retailers should concentrate on information services to the customer. Information Services



include providing information to the customers on available stock in the outlet. Then the outlet must operate in-house call center to make and take calls from the loyal and target customers. Establishment of Helpdesk inside the outlet is another highly expected service from the customers. The customers are expecting that the current offers and benefits in the outlet are to be conveyed to them. For this Information related services, the retailers can take the help of advertising and other promotion mix elements to inform about current stock and to create awareness levels about the current offers and benefits. The local media like local televisions, local news papers, distributing pamphlets and displays/hoardings can be better media.

When the retailers are designing the Layout and Design of the outlet, according to this study, provision of rest rooms in the outlet will be highly expecting from the customers. Since the

customers may spent long shopping hours this facility may be highly required. Provision of parking facilities and Accessibility to each and every product in the outlet are other expected things in the outlet.

As far as packing services are concerned, gift wrapping, quick packing of the purchased goods and right delivery of goods are highly expected services by the customers. Highly Expected Post purchase services are alteration services for the clothing brands, processing Guarantees & Warrantees and Installation Services for Consumer electronics.

The Customers have certain expectations on return policy also. The Exchange of purchased goods and Return Timings are expected to be comfortable to the customers. Credit to Customers and Acceptance of Credit Cards are other expected services by the customers from the retailers.

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Table 1: Socioeconomic Profile of Respondents

Variable	Categories of variable	Frequency	%
Gender	Male	346	58%
	Female	254	42%
Age	13 - 19 years	24	4%
	20 - 30 years	384	64%
	31 - 40 years	94	16%
	41 - 50 years	80	13%
	above 50 years	18	3%
Occupation	Unemployed / Students	32	5%
	Employed	429	72%
	Business people	139	23%
Education	Primary Education	9	2%
	Secondary Education	27	5%
	Higher Secondary/Diploma/ITI	108	18%
	Graduation (UG)	240	40%
	Post Graduation (PG)	189	32%
	Higher than PG	27	5%
Income	Less than Rs.15,000/-	152	25%
	Between Rs.15,000/- and Rs.30,000/-	170	28%
	Between Rs.30,000/- and Rs.50,000/-	139	23%
	More than Rs.50,000/-	139	23%
Size of Family	Two	144	24%
	Three	162	27%
Family	Four	238	40%
	Five	47	8%
	Six	9	2%

Source: Field Study

Table 2: KMO and Bartlett's Test for Highly Expected Retail Services

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.782		
Bartlett's Test of Sphericity	Approx. Chi-Square	5437.628	
	df	190	
	Sig.	.000	

Source: Factor Analysis Data Reduction (SPSS 16.0)

Table 3: Factors – Expected Retail Services

Factor	Eigen Values	% Total variance	Cumulative %
Information	5.21	24.54	24.54
Layout & Design	2.81	14.31	38.85
Packing Services	2.21	12.21	51.06
Post Purchase Services	1.45	6.45	57.51
Return Policy	1.35	5.21	62.72
Credit Facilities	1.11	5.12	67.84

Source: Factor Analysis Data Reduction (SPSS 16.0)

Table 4: Factor Scores Matrix – Highly Expected Retail Services

Attributes	Information	Layout & design	Packing	Post Purchase Services	Return Policy	Credit facility
Available stock	0.83					
Call centre	0.81					
Help desk	0.75					
Information of offers	0.62					
Rest rooms		0.79				
Parking Facilities		0.75				
Interiors and Layout Design		0.63				
Accessibility		0.50				
Gift Wrapping			0.80			
Quick Packing of purchased			0.73			
Right delivery			0.53			
Alteration Services				0.81		
Processing Guarantees & Warrantees				0.62		
Installation Services				0.50		
Exchange of purchased					0.80	
Return Timings					0.70	
Credit to customers						0.74
Acceptance of Credit Cards						0.62
Extraction Method:	<i>Principal Component Analysis.</i>					
Rotation Method:	<i>Varimax with Kaiser Normalization.</i>					



A Study on Gross Enrolment Ratio Across Indian States: An Empirical Analysis

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ABSTRACT

Gross Enrolment Ratio is the one of the key indicator for diagnosing the status of Education in any Country. Gross Enrolment Ratio is the statistical measure of used to determine the number of students enrolled in the school at different grade levels. The present paper explores the variations in the Gross Enrolment Ratio across Indian States. The Study is confined to large states of India. The Data is collected through Various Government reports. The Data is then tabulated, the mean of the GER is calculated for the period 2010-2013 and the states are ranked accordingly. The variation in the ratios among states is also analyzed by using ANOVA. The paper concluded that Madhya Pradesh is leading in Gross Enrolment Ratio among Category of I to V and I to VIII. Himachal Pradesh is leading in the category of Class VI to VIII. It has been also found that there is significant variation in the Gross Enrolment Ratios among various States of India. The significant difference is also observed among boys and girls across Gross Enrolment ratios in different categories.

Key Words: Gross Enrolment Ratios, Education, Literacy levels

1. INTRODUCTION

Education is the powerful tools which help in transforming the Human Being into the Human Capital. It enables the people to earn their livelihood and to become self independent. It ultimately results into the development of the society by improving the socio economic status of the individual. It helps in the acquisition of new skills and technology which makes people more productive.

The primary Education is very important as it provides the base for the later stages of the education. The Education also have impact on the poverty level as less educated people is not productive and hence join low income jobs which results in less earning. The result is at low standard of living. Less education nations or sates are found to be have poor health and high mortality rate because of the less awareness.

The aim of this paper is to examine the variations in gross Enrolment ratio in among Indian States. The paper also attempt to bring out the causes and remedies to reduce these variations.

2. OBJECTIVES OF THE PAPER

1. To rank the state on the basis of Gross Enrolment Ratio

2. To analyze the variation in Gross Enrolment ratio among the various Sates
3. To analyze the variation in Gross Enrolment Ratio among boys and Girls in various categories of Gross Enrolment Ratio.

3. RESEARCH METHODOLOGY

The Research is based on the secondary data. The data is taken from different Government reports, journals, and websites . The data is then tabulated and analyzed. The normality of the data was tested using Kolmogorov-Smirnov and Shapiro Wilk Test and was found to be normal (Annexure 1).The ANOVA test is used to find out the variation in GER among various Indian Sates. The Paper also ranked Indian Sates on the basis of Gross Enrolment Ratios in three Categories i.e. Class I to V, VI to VII & I to VIII

4. DATA ANALYSIS

4.1 Ranking of the States on the basis of GER

The Gross Enrolment Ratio for three years i.e. 2013-14, 2012-13 and 2011-12 were taken for studying the variation in the GER among Indian Sates (Annexure 2, 3, 4). TABLE 1 shows the

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Ranking of the States on the basis of Gross Enrolment Ratio in the three Categories of Gross Enrolment Ratio. The Mean of The said ratios in all the three categories are calculated and the states are ranked accordingly. It can be seen from the Table-1 that Madhya Pradesh is leading in Gross Enrolment Ratio among Category of I to V and I to VIII. Himachal Pradesh is leading in the category of Class VI to VIII.

4.2 Variation of Gross Enrolment Ratio among Indian States

The normality of the data was tested using Kolmogorov-Smirnov and Shapiro Wilk Test and was found to be normal (Annexure 1). The value for GER B2 (Gross Enrolment Ratios for Boys Class V –VIII) and GER G3 (Gross Enrolment Ratio Girls (Class I to VIII) is not found to be normal so the factor GERB2 & GERG3 is eliminated for further analysis. The variation of Gross Enrolment Ratio among Indian States are calculated by the help of ANOVA Test. The results of ANOVA Test is deciphered in Table 2. It can be seen that all the Ratio GERB1, GER G1, GER T1, GER G2, GER T2 GER B3 & GER T3 varied significantly across States. The description of variable is as follows:

GER B1 : Gross Enrolment Ratio (Class I –V) (Age Group : 6 to 10 years) Boys

GER G1: Gross Enrolment Ratio (Class I-V) (Age Group : 6 to 10 years) Girls

GER T1 : Gross Enrolment Ratio (Class I –V) (Age Group : 6 to 10 years) Total

GER B2: Gross Enrolment Ratio (Class VI-VIII) (Age Group : 11 to 13 years) Boys

GER G2 : Gross Enrolment Ratio (Class VI-VIII) (Age Group : 11 to 13 years) Girls

Girls GER T2: Gross Enrolment Ratio (Class VI-VIII) (Age Group : 11 to 13 years) Total

GER B3: Gross Enrolment Ratio (Class I –VIII) (Age Group : 6 to 13 years) Boys

GER G3 : Gross Enrolment Ratio (Class I –VIII) (Age Group : 6 to 13 years) Girls

GER T3: Gross Enrolment Ratio (Class I –VIII) (Age Group : 6 to 13 years) Total

It can be seen from the table that there is significant variation in the Gross Enrolment ratios among states. The main reason behind these variations is due to the variation in various

demographic variables like per capita income, literacy rates among male and female, population density, and implementation of the Government policies across states.

4.3 Variation of Gross Enrolment Ratio among Boys & Girls

In order to test the variation of Gross Enrolment Ratio among Boys and Girls the following Null Hypothesis are formulated

- H_0 : There is no significant difference in the Gross Enrolment Ratio between boys and girls in category Of Class (I to V)
- H_0 : There is no significant difference in the Gross Enrolment Ratio between boys and girls in category Of Class (VI to VIII)
- H_0 : There is no significant difference in the Gross Enrolment Ratio between boys and girls in category Of Class (I to VIII)

4.3.1 Hypothesis Testing

In order to test the Hypothesis at 5% level of significance T Test is used. The Result of the Tests are deciphered in Table 3

- H_0 : There is no significant difference in the Gross Enrolment Ratio between boys and girls in category Of Class (I to V).

It can be seen from the Table-3 that the p value for GERBI and GER G1 are insignificant so we reject the null hypothesis and it is concluded that there is significant variation in these ratios among boys and girls category of Class (I to V).

- H_0 : There is no significant difference in the Gross Enrolment Ratio between boys and girls in category of Class (VI to VIII).

It can be seen from the Table-4 that the p value for GERB2 and GER G2 are insignificant so we reject the null hypothesis and it is concluded that there is significant variation in these ratios among boys and girls in the category of Class (VI to VIII).

- H_0 : There is no significant difference in the Gross Enrolment Ratio between boys and girls in category of Class (I to VIII).

It can be seen from the Table-5 that the p value for GERB3 and GER G3 are insignificant so we reject the null hypothesis and it is concluded that there is significant variation in these ratios among boys and girls in the category of Class (I to VIII).



5. FINDINGS

- 5.1 Madhya Pradesh is leading in Gross Enrolment Ratio among Category of I to V and I to VIII. Himachal Pradesh is leading in the category of Class VI to VIII.
- 5.2 Andhra Pradesh is at bottom rank across Category of I to V, While Bihar is at bottom position in the category of Class VI to VIII. Haryana is at bottom in the group of Class I to VIII.
- 5.3 There is significant variations in the Gross Enrolment Ratios across Indian States. The main reason behind the variation is the difference in the income level, population density, Literacy rate and implementation of policies across States.
- 5.4 There is significant difference in the Gross Enrolment Ratio between boys and girls in category of Class (I to V).

- 5.5 There is significant difference in the Gross Enrolment Ratio between boys and girls in category of Class (VI to VIII)
- 5.6 There is significant difference in the Gross Enrolment Ratio between boys and girls in category of Class (I to VIII)

6. CONCLUSION

It can be concluded from the study that there is significant variation in the Enrolment ratio across various states in India. Significant difference among boys and girls Enrolment ratio indicate that there is still a gap exist between the boys and the girls in the society. It is a need of an hour to implement the education policies effectively. There is a need of more awareness programme promoting importance of Education in life. India is performing well in the education sector, but there is still a long way to build a literate India.

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ANNEXURES

1. Tests of Normality

	Kolmogorov-Smirnov			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	df	Sig.
GERB1	.076	48	.200 [*]	.945	48	.026
GERG1	.098	48	.200 [*]	.913	48	.002
GERT1	.089	48	.200 [*]	.956	48	.070
GERB2	.137	48	.024	.862	48	.000
GERG2	.099	48	.200 [*]	.926	48	.005
GERT2	.084	48	.200 [*]	.969	48	.233
GERB3	.065	48	.200 [*]	.958	48	.087
GERG3	.160	48	.003	.770	48	.000
GERT3	.071	48	.200 [*]	.954	48	.056

2. Gross Enrolment Ratio in Classes I-V and VI-VIII and I-VIII:2012-13

S.No.	State	GER			GER			GER		
		Class I-V (6 to 10 years)			Class VI-VIII (11 to 13 years)			Class I to VIII (6 to 13 years)		
		Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
1	Andhra	99.7	99.4	99.5	80.3	79.9	80.1	92.2	91.8	92
2	Assam	93.1	95.6	94.3	67.2	68.7	67.9	83	85	84
3	Bihar	131.3	123.6	127.7	68.4	60.4	64.6	106.9	98.5	102.9
4	Gujrat	119.4	121.4	120.3	89.5	81.5	85.7	108.2	106.1	107.2
5	Haryana	90.6	100.2	94.9	82.3	84.8	83.5	87.5	94.2	90.5
6	Himachal Pradesh	109.1	109.4	109.2	116	111.4	113.8	111.7	110.1	111
7	Karnatka	105.2	104.1	104.7	92.2	89.1	90.7	100.2	98.3	99.3
8	Kerla	91.4	91.5	91.4	106.5	101.3	103.9	97.1	95.2	96.2
9	MP	131.2	139.7	135.2	100.2	102.6	101.4	119.8	125.6	122.6
10	Maharashtra	105.5	103.7	104.7	95.1	89.6	92.4	101.5	98.3	100
11	Udisha	118.7	120.1	119.4	83.3	80.7	82	105	104.6	104.8
12	Punjab	109.1	108.3	108.8	95.8	91.7	94	82.8	83.1	83
13	Rajasthan	110.3	109.5	109.9	95	73	82.4	103	95.2	99.3
14	Tamilnadu	111	112.6	111.8	113	11.5	112.3	111.8	112.2	112
15	UP	123.8	130.4	126.9	84.1	75.5	79.9	109.3	109.6	109.5
16	West Bengal	91.5	93.9	92.7	84.6	88	86.3	88.7	85.5	86.9

(Source : Economic Survey of India 2012-13)

3. Gross Enrolment Ratio in Classes I-V and VI-VIII and I-VIII : 2011-12

S.No.	State	GER			GER			GER		
		Class I-V (6 to 10 years)			Class VI-VIII (11 to 13 years)			Class I to VIII (6 to 13 years)		
		Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
1	Andhra	98	98.3	77.9	77.9	77.4	77.7	90.2	90.1	90.2
2	Assam	91.7	99.2	92.9	67.3	70.3	68.8	82.2	84.9	83.5
3	Bihar	125.7	109.2	117.8	60.8	49.7	55.5	100.8	86	93.7
4	Gujrat	120	121	120.4	90.5	82	86.5	108.9	106	107.6
5	Haryana	88.6	92	90.1	77.3	80.6	78.9	84.3	87.6	85.8
6	Himachal Pradesh	107.7	107.7	107.7	114.6	112.1	113.4	110.4	109.4	109.9
7	Karnatka	105	104.4	104.7	90	87.7	89.3	99.8	97.7	98.8
8	Kerla	93.4	93.9	93.7	107.1	102.4	104.8	98.6	97.1	97.9
9	MP	149.3	150	149.7	106.1	97.4	101.9	133.3	130.2	131.8
10	Maharashtra	104.9	102.3	103.7	91.5	86.9	89.3	99.8	6.4	98.2
11	Udisha	118.4	119.3	118.8	85.4	82	83.7	105.6	104.7	105.2
12	Punjab	101.6	102.5	108.1	93.6	89.2	91.8	102.8	100.6	101.8
13	Rajasthan	119.1	115.1	117.2	95.1	72.8	84.4	110	98.7	109.6
14	Tamilnadu	114.3	115.3	114.8	114.3	112.1	113.2	114.3	114.1	114.2
15	UP	106.6	114.7	110.4	74.3	65.9	70.3	94.7	96.3	95.4
16	West Bengal	121.8	126.4	125.6	80.3	87	83.6	107.2	110.7	108.9

(Source : Economic Survey of India 2011-12)



4. Gross Enrolment Ratio in Classes I-V and VI-VIII and I-VIII : 2010-11

S.No.	State	GER			GER			GER		
		Class I-V (6 to 10 years)			Class VI-VIII (11 to 13 years)			Class I to VIII (6 to 13 years)		
		Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
1	Andhra	95.3	95.7	95.5	77.9	76.5	77.3	88.4	88.1	88.3
2	Assam	106	106.1	106.1	92	90.5	91.3	100.7	100.2	100.4
3	Bihar	114.5	93.6	104.4	53.1	38.8	46.2	91.3	73.2	82.6
4	Gujrat	130.3	114.6	123	185.3	70.2	78.2	113.2	97.7	106
5	Haryana	87.6	93.8	90.4	75.4	76.1	75.7	82.9	87	84
6	Himachal Pradesh	111.7	111.7	111.7	115.4	113.1	114.3	113.1	112.2	112.7
7	Karnatka	107.2	105	106.1	91.5	89	90.2	101.1	98.8	100
8	Kerla	91.6	93	92.3	101.69	98.5	100.1	95.4	95.1	95.2
9	MP	154.5	152.3	153.4	104.2	95.5	100	135.7	131.1	133.5
10	Maharashtra	103.5	100	101.8	88.5	85	86.8	97.8	94.4	96.1
11	Udisha	116.9	117.1	117	82.8	77.3	80.1	103.8	101.6	102.7
12	Punjab	93.5	92	92.8	70.3	67.6	69.5	84.5	82.5	83.6
13	Rajasthan	121.4	114.9	118.3	92.8	68.7	81.4	110.6	97.5	104.4
14	Tamilnadu	116.4	115.9	116.1	114.3	111	112.7	115.6	114	114.8
15	UP	111	116.5	113.7	71.1	64.12	67.8	95.9	96.9	96.4
16	West Bengal	113.3	112.5	112.9	70.2	72.3	71.2	96.5	96.9	96.7

(Source : Economic Survey of India 2010-11)

Table 1 : Rank of States among various Categories of Gross Enrolment Ratios

S. No.	Name of the States	GER (Class I to V) 6 to 10 years (Mean)	Rank	GER (Class VI to VIII) 11 to 13 years (Mean)	Rank	GER (Class I to VIII) 6 to 13 years (Mean)	Rank
1	Andhra	90.967	16	78.37	13	90.17	13
2	Assam	97.767	13	76.00	14	89.30	15
3	Bihar	116.633	5	55.43	16	93.07	12
4	Gujarat	121.233	2	83.47	8	106.93	4
5	Haryana	91.800	15	79.37	12	86.77	16
6	Himachal Pradesh	109.533	9	113.83	1	111.20	3
7	Karnataka	105.167	10	90.07	5	99.37	8
8	Kerla	92.467	14	102.93	3	96.43	11
9	MP	146.100	1	101.10	4	129.30	1
10	Maharashtra	103.400	11	89.50	6	98.10	9
11	Udisha	118.400	3	81.93	10	104.23	6
12	Punjab	103.233	12	85.10	7	89.47	14
13	Rajasthan	115.133	6	82.73	9	104.43	5
14	Tamilnadu	114.233	7	112.73	2	113.67	2
15	Uttar Pradesh	117.000	4	72.67	15	100.43	7
16	West Bengal	110.400	8	80.37	11	97.50	10

(Source : Calculated by Authors)

Table 2: Test of ANOVA for Variation of GER among Indian States

	Sum of Squares	Df	Mean Square	F	Sig.	
GERB1	Between Groups	8822.970	15	588.198	12.299	.000
	Within Groups	1530.420	32	47.826		
	Total	10353.390	47			
GERG1	Between Groups	7880.913	15	525.394	10.944	.000
	Within Groups	1536.287	32	48.009		
	Total	9417.199	47			
GERT1	Between Groups	8694.690	15	579.646	10.394	.000
	Within Groups	1784.547	32	55.767		
	Total	10479.237	47			
GERG2	Between Groups	9091.476	15	606.098	2.428	.017
	Within Groups	7988.344	32	249.636		
	Total	17079.821	47			
GERT2	Between Groups	10223.040	15	681.536	17.877	.000
	Within Groups	1219.940	32	38.123		
	Total	11442.980	47			
GERB3	Between Groups	5755.368	15	383.691	10.832	.000
	Within Groups	1133.487	32	35.421		
	Total	6888.855	47			
GERT3	Between Groups	5454.406	15	363.627	10.003	.000
	Within Groups	1163.293	32	36.353		
	Total	6617.700	47			

Table 3 : Result of T Test for the variation of GER among Boys and Girls (Class I – V)

	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
GERB1	51.364	47	.000	110.03542	105.7257	114.3451
GERG1	53.731	47	.000	109.77917	105.6690	113.8894

Table 4 : Result of T Test for the variation of GER among Boys and Girls (VI – VIII)

	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
GERB2	30.335	47	.000	90.96021	84.9279	96.9925
GERG2	29.828	47	.000	82.07125	76.5359	87.6066

Table 5 : Result of T Test for the variation of GER among Boys and Girls (I – VIII)

Test Value = 0

	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
GERB3	58.157	47	.000	101.62708	98.1117	105.1425
GERG3	37.554	47	.000	97.52083	92.2968	102.7449



An Exploratory Study of The Usage Pattern of Cellular Services by The Students in Mangalore City, Karnataka, India

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ABSTRACT

India is the world's second-largest telecommunications market. Indian telecom service industry has seen tremendous growth in recent years. As India is second largest populated country in the world and majority of the Indian population are youths. The cellular service sector in India is making more efforts by providing more offers and services to attract the students. This study shows the difference in the usage of cellular services of different students in Mangalore city. The information is quite useful for the academics for the development of future works in the field, for the application developers and other stakeholders as they are able to plan their direction in the Indian cellular services market.

Key words: Mobile, Telecommunications, Browsing, Cellular services

INTRODUCTION

Mobile phone is a common gadget being found everywhere. Mobile phones have enabled the youth to make develop new relationships and maintain the existing ones. With the increase in the purchasing power of students, the mobile phones market is also rapidly expanding and this influences the increased usage pattern of varied cellular services among the students. Addiction to cell phone for calling or texting is most commonly observed disadvantage of cell phones. As per the study cellular service is a major contributor to the service sector in India. Most of the cellular service company in India are influenced by the students because there is more number of youth in our population. The new offers by various cellular service companies are to attract the youth customers.

The usage pattern of various cellular services among the students is different from each other. This study shows the difference in the usage of cellular services of different students in Mangalore.

STATEMENT OF THE PROBLEM

The purpose of this study is to analyze the difference in the usage pattern of cellular services by the students. The time, money being spends by them. This study will provide solution to our research question.

OBJECTIVES OF THE STUDY

The objective of this research is to know the difference in the usage pattern of cellular services among students:

- Spending pattern by students on mobile recharge;
- Time spent by them on calling, texting, browsing, downloading and their usage pattern;
- Does the kind of mobile phone have an impact on their usage and recharge?
- How long students are using the same network provider?
- Student's attitude towards cellular services;
- How much they are satisfied towards cellular network they use;
- Spending pattern on recharge according to gender.

SCOPE OF THE STUDY

The scope of the study "A Research Study on Usage Pattern of Cellular Services by Students in Mangalore" is to understand the difference in the usage pattern cellular services among students. The study was conducted at April and May by collecting information by 100 respondents

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in Mangalore. Since the study was limited to the students of Mangalore is not applicable for further study.

METHODOLOGY

This study identifies trends of cellular service usage among college students. The study was conducted in Mangalore. The total sample size was 100. We designed questionnaire according to our research objectives. Our questionnaire contained 15 questions. The data collected was analyzed using SPSS. Secondary data was collected by referring to the reports, articles, and magazines.

SAMPLING

The total sample size for this study was 100 students in Mangalore. Out of 100 students 35 were females and 65 were males. The age group of 100 respondents was between 20-24 years.

REVIEW OF LITERATURE

In review of literature it was found that there will be nearly more than 5 billion cellular subscriptions worldwide by the end of 2010 (ITU, 2010). According to **TRAI** (2009-10) India had nearly 584.3 million wireless subscribers and Bharti Airtel group is most popular wireless service provider. The majority of mobile phone users started using it when they were 10-18 years old (**Ishfaq and Tehmina, 2011**). It has been found in a study that youth desperately want to be in contact with their friends (**Ito, 2006**). In a study conducted by **MACRO (2004)** it was found that primary usage of cell phone among teenagers and youth is to keep in touch with friends and to call up their family members. These findings are consistent with the study conducted in mid western university among college students by **Mikiyasu and Shotaro (2011)**. In the same research it was found that most respondent aged 20 and under use cell phone as a medium to strengthen their existing friendship. The change in technology has change the consumer mind. From fixed lines to wireless lines the number of subscribers has shown remarkable growth. This has made a great impact on student's minds through various offers provided for various uses like online recharge, paying bills, texting, data usage etc. which has made students to depend more on their mobile phones.

According to **Hopeton and Leith** many respondents use phones as camera and alarm clock and to play games. The tendency to use mobile for more than one purpose was more among younger people.

Study conducted by **Internet & Mobile Association of India (2011)** shows that more than 75% of Internet users are young men including school and college going students. Among Internet users 89% use it to access emails, 71% use it for social networking, 64% use it for educational purpose and 55% use it for chatting. 87% of Internet using population uses it at least once a week.

In Malaysia, at an average students use their phone for 6 hours daily and spend USD 18.7 monthly on their mobiles and text message is the most commonly used feature among them. (**Sheereen and Rozumah, 2009**). In same study it was found that more than half students preferred using SMSs than making calls. It has been found that students generally have habit of using cell phone while college lectures (**Srivastava, 2005**).

DATA ANALYSIS AND INTERPRETATION

1. Spending pattern on mobile recharge:

Recharge is an important to analysis as it shows the usage or recharging (i.e. purchasing of cellular services). To find out spending on recharge, it becomes to know or collect data how much students recharge their mobile on monthly basis.

Interpretation: The reason for the inclusion of this question was to find out spending pattern by students on mobile recharge. From the table-1 we analyse that out 100 respondents, 24% of respondents spend only up to rupees 100 for recharge, 46% spend 100 to 250 Rs on recharge, 21% spend 250 to 375 Rs on recharge and only 9% of respondents spend 500 to 1000 Rs on recharge.

2. Ranking on various mobile usages

All the respondents use various facilities (i.e. calling, texting, browsing and downloading) provided by the network provider but to know which facility is used more by the cellular users.

Interpretation: From the Table 2.1 we analyze that 22% of the respondents out of 100 have



ranked texting as first i.e. 22% use texting more than other facilities calling, browsing etc., 32% have ranked texting as second, 29% have ranked texting as third, 17% respondents have ranked texting last as they use it less compare to other facility.

Interpretation: From the table-2.2 we analyze that 54% of the respondents out of 100 have ranked Calling as first i.e. 54% use calling more than other facilities like texting, browsing etc., 29% have ranked texting as second, 14% have ranked texting as third, 3% respondents have ranked calling last as they use it less compare to other facility.

Interpretation: From the table-2.3 we analyze that 18 % of the respondents out of 100 have ranked Browsing as first i.e. 18 % use calling more than other facilities like texting, calling etc., 29 % have ranked texting as second, 42% have ranked texting as third, 11% respondents have ranked Browsing last as they use it less compare to other facility.

Interpretation: From the table-2.4 we analyze that 8 % of the respondents out of 100 have ranked Calling as first i.e. 8 % use Downloading more than other facilities like texting, browsing etc., 29 % have ranked texting as second, 14% have ranked texting as third, 3% respondents have ranked Downloading last as they use it less compare to other facility. From the above table it's clear that out of 100 respondent's majority of samples uses calling then other facilities like texting, browsing and downloading and other mobile usage used by them.

Analysis from the above Table was helpful to find out most used facilities and through this analysis we can reject the first hypothesis (i.e. Students spends most of their time in texting other then calling) as majority of the respondents use calling more than texting every time.

3. Mobile impact on recharge and usage time

The study was done to know whether the kind of mobile phones used have impact on recharge and usage time.

Interpretation: From the table-3 we can analyze that,

- There is impact of Mobile phone i.e. kind of mobile phone (like android, Windows etc) respondents use has impact on their recharge as mobiles which are android, Windows etc

extra features then other ordinary mobiles and needs extra recharge to use the extra features. And it is clear and accepted that kind of mobile phone used by students has impact on recharge (i.e. Second hypothesis) which is now accepted by using paired t-test as significance is .000, which is not greater than 0.05.

- There is no impact of Mobile phone i.e. kind of mobile phone (like android, Windows etc) respondents use has impact on their usage from data collected from the 100 respondents. And it is clear and the third hypothesis can be rejected as Kind of mobile used by the respondents has no impact on usage and that was clear through help of paired t-test as significance is .68, which is greater than 0.5 and are above confidence level.

4. Years of using same cellular network

The study was to know how long students have been using the same cellular network provider.

Interpretation: From the table-4 we can analyse that out of 100 sample respondents researched only was using same network provider for 9 years and 26 sample respondents are using for more than 3 years and 11 have just started using network and have completed one year. And remaining respondents have used network ranging from 1 to 8 years.

5. Satisfaction Level to various criteria

The study was conducted to know the satisfaction level of students towards network, pricing, VAS, customer care, internet service.

Interpretation: From the table-5.1 we can analyze that 43 percentage of the respondents out of 100 have valued Network facility provided by their network provider very good that shows they are highly satisfied, 46 respondents have said its good but not very good, 10 respondents are just averagely satisfied and one respondent is not satisfied with network by his network provider.

Interpretation: From the table-5.2 we can analyze that 5 percentage of the respondents out of 100 have valued pricing facility provided by their network provider very good that shows they are highly satisfied, 31 respondents have said its good but not very good, 58 respondents are just averagely satisfied, 3 respondent is not satisfied and 3 feel very bad for the pricing facilities provided by his network provider.

Interpretation: From the table-5.3 we can analyze that 5 percentage of the respondents out of 100 have valued the VAS (value added services) facility provided by their network provider very good that shows they are highly satisfied, 29 respondents have said its good but not very good, 56 respondents are just averagely satisfied, 7 respondent are not satisfied and feel very bad for the VAS facilities provided by his network provider.

Interpretation: From the table-5.4 we can analyze that 11 percentage of the respondents out of 100 have valued Customer care facility provided by their network provider very good that shows they are highly satisfied, 51 respondents have said its good but not very good, 25 respondents are just averagely satisfied, 7 respondent is not satisfied and 6 feel very bad for the Customer care facilities provided by his network provider.

Interpretation: From the table-5.5 we can analyze that 16 percentage of the respondents out of 100 have valued Internet service provided by their network provider very good that shows they are highly satisfied, 58 respondents have said its good but not very good, 23 respondents are just averagely satisfied, 2 respondent is not satisfied and 1 feel very bad for the Internet service provided by his network provider.

From the above tables it is clear that Network is only thing were majority of the respondents were highly satisfied and other criteria's were satisfied by the respondents but not highly satisfied.

6. Spending on recharge according to gender

This study was done to know the difference in the spending pattern on recharge of according to gender.

Interpretation: The table-6.1 reveal that out 35 female 46% of females prefer recharging 100- 250 Rs on a monthly basis, where as only 31% of male prefer the same, which is lesser than that of female. From this observation we conclude that female spend more on recharge than male.

Major findings of the study

This chapter is a summary of the data analysis, which was presented in the previous chapter,

The majority of the respondents that is 65% out off 100 were male. According to the survey we

can understand AIRTEL is one of most preferred network service with 44% and next being IDEA with 21%. It is followed by Vodafone 15%, DOCOMO 12%, and BSNL with 8% among the students in Mangalore. The majority of students spend 100-250rs on mobile recharge on monthly basis and it is clear that kind of mobile has impact on recharge but not on usage. Students preferred calling facility more than other facilities like texting, browsing and downloading. Students are highly satisfied with the network service provided by the company but not highly satisfied with other offers. Majority of the respondents are highly satisfied with network provided by the networker provider but not with not with other criteria's like customer care and internet services. From the study it was found that all of the respondents require good customer care services.

SUGGESTIONS

By analysing the collected data on problem "usage of mobile network by students of Mangalore" All the networks must improve customer care service as majority of respondents are not satisfied with it and also respondents suggest customer care of network provider to be effective and efficient. As students use calling more than other facility, network provider must give more offers for students to attract more student customers to use their network.

It should aim at achieving market retention by retaining customers as well as attracting new customer as competition in network market is increasing. Improvement may be made in ensuring that all the criteria's such as network, offers, customer care and Internet services is improved by customer needs because customer satisfaction.

CONCLUSION

The study reveals that Airtel is most preferred service provider than other service providers. The kind of phones such as Android, Windows etc influences in the recharge of their cell phone. Majority of students use pre-paid SIM card instead of post-paid because they prefer recharging their SIM card on monthly and weekly basis. Calling is most preferred by students than texting.



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Table 1: Monthly Mobile recharge by the respondents.

		Frequency	Percent
Valid	Up to 100	24	24.0
	100 to 250	46	46.0
	250 to 375	21	21.0
	500 to 1000	09	09.0
Total		100	100.0

Table 2.1: various ranks given by the respondents for texting

Rank order	Observed N	Expected N	Residual
I	22	25.0	-3.0
II	32	25.0	7.0
III	29	25.0	4.0
IV	17	25.0	-8.0
Total	100	100.0	

Table 2.2: various ranks given by the respondents for calling.

Rank order	Observed N	Expected N	Residual
I	54	25.0	29.0
II	29	25.0	4.0
III	14	25.0	-11.0
IV	3	25.0	-22.0
Total	100	100.0	

Table 2.3: various ranks given by the respondents for browsing

Rank order	Observed N	Expected N	Residual
I	18	25.0	-7.0
II	29	25.0	4.0
III	42	25.0	17.0
IV	11	25.0	-14.0
Total	100	100.0	

Table 2.4: The various ranks given by the respondents for downloading

Rank order	Observed N	Expected N	Residual
I	8	25.0	-17.0
II	8	25.0	-17.0
III	23	25.0	-2.0
IV	61	25.0	36.0
Total	100	100.0	

Table 3: Shows Mobiles impact on recharge and usage time

		Mean	Std. Deviation	Std. Error Mean	Paired Differences		t	df	Sig. (2-tailed)
					95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	Mobile recharge	-.64000	1.31441	.13144	-.90081	-.37919	-4.869	99	.000
Pair 2	Mobile Usage Time	.22000	1.19409	.11941	-.01693	.45693	1.842	99	.068

Table 4: Shows Years of using same cellular network

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	11	11.0	11.0
	2.00	15	15.0	26.0
	3.00	26	26.0	52.0
	4.00	12	12.0	64.0
	5.00	15	15.0	79.0
	6.00	11	11.0	90.0
	7.00	7	7.0	97.0
	8.00	2	2.0	99.0
	9.00	1	1.0	100.0
Total	100	100.0	100.0	

Table 5.1: Shows the different ranking given to Network

	Frequency	Percent
Valid	V good	43
	Good	46
	Average	10
	Bad	1
Total	100	100.0

Table 5.2: Shows the different ranking given to pricing

	Frequency	Percent
Valid	V good	5
	Good	31
	Average	58
	Bad	3
	V bad	3
Total	100	100.0

Table 5.3: Shows the different ranking given to VAS

	Frequency	Percent
Valid	V good	5
	Good	29
	Average	56
	Bad	7
	V bad	3
Total	100	100.0

Table 5.4: Shows the different ranking given to Customer care

	Frequency	Percent
Valid	V good	11
	Good	51
	Average	25
	Bad	7
	V bad	6
Total	100	100.0

Table 5.5: Shows the different ranking given to Internet service

	Frequency	Percent
Valid	V good	16
	Good	58
	Average	23
	Bad	2
	V bad	1
Total	100	100.0

Table 6.1: Shows spending on recharge according to Female

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	up to 100	24	24.0	24.0
	100 to 250	46	46.0	70.0
	250 to 375	21	21.0	91.0
	500 to 1000	9	9.0	100.0
Total	100	100.0	100.0	

Table 6.2: Shows spending on recharge according to male Spending

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	up to 100	16	24.6	24.6
	100 to 250	31	47.7	72.3
	250 to 375	11	16.9	89.2
	500 to 1000	7	10.8	100.0
Total	65	100.0	100.0	



Attitude of Internet Surfers' Towards Web Advertising

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ABSTRACT

The World Wide Web has attracted a great deal of attention in recent years. Over the last decade advertising evolved from conventional means to web. As the number of web users is increasing significantly, it provides the wide scope for web advertising. After the Internet came into existence, it had huge impact on the way organizations were doing their business. In this era of globalization only those businesses can survive which are successful in spreading themselves globally. There is a vital need for a media which is accessible to all. Internet/Web has become an information hub, a source of endless business opportunities for even large international business houses. Businesses all over the world are intensively using the internet for penetrating and capturing the consumers' minds. The Present study aims to analyze the attitude of Internet surfers' towards Web advertising to assess how far this global media can be useful and appropriate for businesses keeping in view their goal of internationalization and variety of modern and traditional media available.

Key words: *Internet, consumers, attitude, web advertising, business.*

INTRODUCTION

Information hub & major source of entertainment for most of the consumers is Internet. Within the industry of internet, the world of web advertising has grown rapidly in last two decade. When internet technology and Web servers first became available and popular, a lot of people realized it was wonderful to maintain their own sites and keep their information institutional perspective on developing information systems.

Web advertising is the main form of advertising on the Web. Advertiser's website is usually hyperlinked with the display advertisements. Users can simply click on the advertisements and redirect to another website. As the number of internet users is increasing dramatically, it provides a big room for web advertising (Cho, 2003). Web advertising is around us. It is one of the most popular promotional methods for business firms. It is useful for the marketers to get the attention from consumers. Businessmen think that web advertising is one of the low-cost marketing tools since the marginal cost of each online advertisement is very low.

During the early years of the web, banner

advertisements have been the prominent form of online advertising; commercials as we know them from TV have not been used to any great degree. However, it would appear that, in the very near future, advertisements with audio and video – as we are used to on TV as well as other forms of “rich media” – could be common on the web.

Information Technology Act (2000) and Communication Convergence Bill (2001) of the Government clearly show the direction in which the country is moving to facilitate a single communication network catering to all types of technologies (i.e. Internet, Datacom, Telecom, Wireless, Wireline, Fixed, Mobile, Cellular, Satellite Communication etc.), and e-commerce. The World Wide Web has created a new communication environment for advertising campaigns, thus initiating a new era of firm—consumer interaction. Firms use advertising messages and direct experience (DE) as two common sources of information to communicate with consumers about products. These two sources of information differ significantly in their ability to foster strongly held beliefs about search and experiential product attributes. Advertising has been found to be superior at communicating search attribute beliefs

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and DE has been found to be superior at fostering experiential attribute beliefs.

Apart from a number of other factors, which makes a product more saleable than the other competing brands, a major role is played by the attitude of its prospective consumers. Attitude fairly plays an important role in the success or failure of a business. The company may have very effective advertising campaigns, but if the company's consumers have a negative attitude towards the company's brand then it will be very difficult for the company to penetrate in the minds of the consumers positively. The company may provide the competitive products and services, but even then it may not be able to generate the appropriate share in the sales. All the investments and strategies of the company will go waste if the consumer has a negative attitude towards the media being used for advertising. For instance, if a consumer is skeptic about Web advertising then he will not click advertisements on the Internet. All this may waste the expectations and investments of the companies on internet advertisements.

LITERATURE REVIEW

The consumer may enjoy watching the advertising message, he may find it very entertaining, but when the time of real purchase comes, he may not be interested in spending money on the same product. The product may always be in the mind of the consumer but he may not be consuming the same product. His purchases may be in favor of its rivals. In such a difficult situation, the companies feel it impossible to attract the interest of the consumers in their products. Due to the negative attitude of the consumer, it is always difficult to change the dead consumer interest in the company's products. It is a big threat for the modern companies to keep an eye over the attitude of the consumer, because the attitude of the consumer slides down very easily but it is almost impossible to make the upward shift.

The Internet offer firms the unique opportunity to digitalize experiential attributes in multimedia formats (Burke 1997). The Internet has expanded consumer access to information and provided firms an opportunity to provide consumers additional layers of information.

In general, attitude toward advertising can be defined as "a learned predisposition to respond

in the consistently favorable or unfavorable manner to advertising in general" (Lutz, 1985). Its scope and measurement has widely varied in the literature. The study of attitudes to advertising may be regarded as significant one because it influences attitudes-toward-the ad, an important predecessor of brand attitudes (e.g., Lutz, 1985; Mackenzie, Lutz, and Belch, 1986; Mackenzie and Lutz, 1989; Muehling, 1987; Shimp, 1981). Similarly, now researchers suggest that there may be value in exploring the effect of attitudes toward the website in evaluating the effectiveness of web advertising.

As the attitude of the consumer is important in determining the success or failure of the concern, the attitude of the Web surfers towards it as a medium of advertising is very crucial. If Internet users think negative about the Internet as a medium of advertising then it will be of no use for the companies to spend money on Web ads. Web advertising is being widely used throughout the world effectively using web techniques like; e-mail, newsgroups, popup windows, banners, roadblocks (Peter et al, 2003).

OBJECTIVES AND METHODOLOGY

The objective of the present study is to analyze the attitude of internet surfer's towards Web advertising. For the purpose of study, the data was taken from 100 respondents. Snowball sampling technique was used for data collection. For studying the attitude of respondents towards Web advertising, the "Likert Scale" was used. As per this scale the statements were quoted in the questionnaire with the corresponding five checkboxes to be ticked as Strongly Agree, Agree, Neutral, Disagree, and Strongly Disagree. The respondents were asked to read the statements and tick the most appropriate checkbox as per their belief. Then this data was converted into tables and with the help of 'Weighted Averages' the attitude towards the advertising was assessed. The study further analyzed if there was any difference in the attitude based on the gender of the respondents for each of the statements. This involved testing the null hypothesis, i.e. there is no significance difference in the attitude of the respondents towards the specific statements based on gender of the respondents. For this, 'Chi-Square' test was implemented in order to test the hypotheses of the study.



ANALYSIS AND DISCUSSIONS

The study shows that 42.10% of total respondents have positive attitude towards Web advertising, 32.39% have negative attitude towards Web advertising whereas 25.51% of the respondents are neutral in the response.

The analysis of attitude in relation to gender reveals that 22.33% of the male respondents and 19.77% of the female respondents have the positive attitude towards Web advertising, whereas 12.12% of male and 20.27% female respondents have a negative attitude towards Web advertising.

- As per the data, 16.7% of the respondents agree with varied degrees (8.9% Agree along with 7.8% as Strongly Agree) advertising should be banned on the internet, whereas 70.4% (16.7% Strongly Disagree and 53.7% Disagree) were against banning of advertisements on internet. While balance of 12.9% felt neutral. In this case, the hypothesis for the same was accepted i.e. there was no significance difference in responses.
- In the negative type statement was if the respondent felt it costly to click the Ads on Internet, 23.37% of the respondents felt that it is costly to click the internet advertising whereas 60% of the respondents were of the opinion that cost does not matter in clicking or not clicking the web advertising and the remaining 16.63% of the respondents were neutral in the response to this statement. In this case, the hypothesis for the same was accepted i.e. there was no significance difference in responses.
- Third positive statement was if the respondents felt any attraction in internet advertising, 43.7% of the respondents agreed, 30.8% of the respondents were against the same and the balance of 25.5% felt neutral. In this case, the hypothesis for the same was accepted i.e. there was no significance difference in responses.
- Fourth statement was if the respondents felt internet shopping to be risky for the fear of misuse of credit card number. In response to this statement, 66.7% of the respondents believed so and merely 16.1% felt it was not risky to shop on web and the remain 17.2% felt neutral. In this case, the null hypothesis was rejected and thus response of men and women

was significantly different.

- Another negative statement was put for response i.e. if the respondents felt that lack of cyber laws implementation makes internet fraudulent. 68.6% of the respondents showed a negative attitude whereas 14.7 were of feeling that this doesn't affect their attitude towards web advertising and the remaining 16.7% of the respondents were neutral in the response to this statement. The null hypothesis for this statement also stands rejected, thus meaning that men and women had different attitude for this statement.
- In another important statement that clicking the advertisement links on the internet is wastage of time and money, 43.8% agreed to the statement while 34.7% did not favor the same and the balance of 21.5% felt neutral. As far as gender based analysis is concerned, the hypothesis for the same was also accepted i.e. there was no significance difference in responses.
- Another important statement was if the respondents felt that most of the Web advertisements make false claims. 43.70% of the respondents felt it to be true so about web advertising whereas 20.1% don't believe so and the balance 36.2% remained neutral in this respect. In this case, the hypothesis for the same was accepted i.e. there was no significance difference in responses.
- The last statement was if the respondents liked to surf the sites for shopping rather than the physical stores. This clearly asked if the internet is perceived as an alternative to window shopping or not. 40.6% of the respondents agreed to the fact that they like to purchase online where as 29.3% of the respondents were against online shopping and thus enjoy shopping on physical malls rather than cyber malls. Both men and women had no significance difference as far as the response towards the statement is concerned the hypothesis for the same was accepted.

FINDINGS OF THE STUDY

An analysis of the above statements reveals that the consumers on the whole have a positive attitude towards Web advertising. They feel that internet advertisements are attractive enough to

catch their attention and they also prefer to purchase the products online rather than visiting the physical stores. On the other hand, there is a negative aspect too and this reveals that internet advertising is an expensive even for the surfers, i.e. it is expensive affair to click the advertising links. The respondents also expressed the fear of misuse of the credit card on the internet. They further felt that there are no active cyber laws implementation in India and thus it makes fraudulent activities. Hackers can openly hack the credit card number of the customers and thus there is a fear in this respect. As per the hypothesis testing, the female respondents specially felt skeptic about the security issues. This may be due to their inborn traits; there are many instances of fraudulent activities in case of online sale and purchase. Thus the online advertisers should try to overcome these weaknesses in order to make it acceptable to all.

As far as the overall attitude of the respondents towards web advertising is concerned, 42.10% of the respondents have positive attitude towards web advertising, 32.39% of the respondents have shown a negative attitude towards web advertising and the balance 25.51% of the respondents remained neutral. Hypothesis that gender has no relation with overall attitude is accepted and thus the response is independent of the gender of respondents.

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CONCLUSION

Though consumers have positive attitude towards web advertising even then it is still considered as a costly affair. Thus, there is need for infrastructure development to make it easily available. With the implementation of broadband & 3G, it has become faster in speed but the consumer still has to pay as per the data used and thus there is a hitch in usage. If this becomes free, like TV programs, it will revolutionize the way the marketers plan for products.

In short, we can say that though Web advertising has shown an overall positive attitude yet it is in its infancy and with the improvements in the infrastructure, the usage of the internet will expand further. It is still a very expensive media for most of the respondents & thus due to this reason is proving as overgenerous for advertisers. The future researchers can aim to answer the relationship of various demographic features in relation to the attitude of the consumers towards web. A research may further be conducted for comparing the attitude of the consumer towards TV and Web as the media of advertising. The findings of this research provide further insight for marketers and advertising designers to create better marketing communication strategies on web advertisement.



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Table 1: Overall Attitude of the respondents towards Web Advertising

Response in Percentile	Male (%)	Female (%)	Total
Strongly Agree (SA)	7.16	4.49	11.65
Agree (A)	15.17	15.28	30.45
Neutral (N)	10.00	15.51	25.51
Disagree (D)	7.38	14.44	21.82
Strongly Disagree (SD)	4.74	5.83	10.57
Total	44.45	55.55	100.00

Source: Computed data collected from respondents.

Table 2: Attitude Responses as per Likert Scale

Statements as per Likert Scale to measure the attitude of the respondents	Attitude Towards Web Advertising	Hypothesized Relationship with Gender
Advertisements should be banned on Internet	Negative	Accepted
It is very costly to click the Ads on internet.	Negative	Accepted
Internet advertisements are attractive.	Positive	Accepted
Internet shopping is risky as the fear of misuse of credit card number.	Negative	Rejected
Lack of Cyber Laws implementation makes internet as fraudulent.	Negative	Rejected
Clicking advertisement links is wastage of money and time.	Negative	Accepted
Most of the Web Advertisements make false claims.	Negative	Accepted
I like to surf the sites for shopping rather than on physical stores.	Positive	Accepted

Source: Computed data collected from respondents.

Corporate Collapses in India: Issues and Challenges

Shubhanker Yadav*
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ABSTRACT

The exposure of a number of serious financial frauds in high-performing listed companies during the past couple of years has motivated investors to move their funds to more reputable accounting firms and investment institutions. Clearly, corporate failure resulting in huge losses has made investors wary of the lack of transparency and the increased risk of financial loss. Corporate failure could be seen as an inability of organization to attain its economic and financial objectives as well as legal obligations. This study is conceptual in nature and focuses on the factors that cause Indian corporate failure and its inability to attain the corporate objectives. Further to review its performance so as to introduce effective ways by which organisation could satisfy their stakeholders to effectively continue as a going concern.

Keywords: Corporate failure, Financial fraud, Stakeholder, Transparency.

INTRODUCTION

In today's business environment where market discipline ensures survival of the fittest business failure tend to be common as not upgrading themselves as per changing scenario will leads to shut down their activities. The main issue is not the incidence of corporate failures but the ability to estimate impending failures through some common identifiable features. A consistent pattern of changes in these features can help formulate and implement precautionary measures to avoid such failures. This effort could reduce the costs of bankruptcy, avoid financial distress to all stakeholders and contribute towards the business and financial environment stability. Previous literature on corporate failures in developed economies provide some general guide on characteristics of firms that fail, these suggestion cannot be generally applied to firm failures in different economic environments such as emerging markets due to differences in market structure, provision and implementation of law, accounting and corporate governance standards.

The topic of this paper "corporate failure" has been a subject of in-depth research and wide discussion by economists, bankers, creditors, equity shareholders, accountants, marketing and management experts, etc. It has also, in several

occasions, attracted the attention of both local and international corporate pundits. The reason is that any corporate failure can weaken the economic system in various ways such as increasing the level of poverty, increasing unemployment, depriving people, especially creditors of their legitimate earnings as well as intensifying the crime rate and reduction in the volume of tax earnings. The disastrous and social effects of corporate failure makes it imperative for shareholders, creditors, government, etc. to continually monitor the operations of a corporate entity in order to avoid possible failure. This paper emphasis on the causes and remedial measure of corporate failure. As corporate body operating activities had been always a centre of interest for various group of professional. The interests of these various groups may not be possibly integrated, but through the harmonious relationship between management and employees, corporate bodies and their environments, something could be done to sustain corporate bodies and prevent them from failure (Dietz and Gillespie, 2012).

The paper is segmented into five main parts, the first part deals with the conceptualization of corporate failure, the second examines the nature of corporate failure, the third discusses corporate failure causes and effects, the fourth section

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proposes the various remedial measures that should be applied to minimize corporate failure while the fifth part is the conclusion.

CONCEPTUAL ISSUE

Corporate body is an entity in which the ownership is separated from management. It's an artificial being invisible, intangible and exist only by a mere contemplation of the law. On the other hand failure is a term used interchangeably with, distress, illiquidity, insolvency, persistent loss, bankruptcy and winding up. From factual point of view failure stands for the firm's inability to achieve its primary objective i.e "profit making" in the long run. It could also mean that insufficient cash flow to retire its due debts. Corporate failure has been defined in different manner by many authors. According to Calomiris and Gorton (1991) corporate failure implies that unhealthy conditions or weakness in organisation prevent itself from achievement of its goals and objectives. Komba (1991) perceives failure as an act of being unsuccessful in an attempt, termination of normal operation or operating below normal standards or to go bankrupt or become insolvent. Argenti (1976) views it as "company whose performance is so poor that sooner or later it is bound to have to call in the receiver or cease to have or to go into voluntary liquidation, or which is about to do any of these, or has already done so". Altman (1983) foresees it simply as inability of a firm to honour its obligation when due. Newton (1975) opined that organisation is a failure when it can no longer meet the legally enforcement demand of its creation. Dun and Bradstreet (974) define the term as "those businesses which terminate their operations on uncertain situation as bankruptcy, with a loss to creditors or where the court is involved in reorganization or re arrangement of business. Relating to Banking, Ezeudoli [1997] & Ologun [1994] view failure in the same way as, "the inability of a bank to meet its obligations to customers, owners, economy occasioned by fault or weaknesses in its operation which renders it illiquid and insolvent." In whatever angle failure is perceived it has common elements and method. That is, it is a process which begins with financial embarrassment degenerated into operational difficulties and ended in legal action. Corporate failure may not necessary mean termination of operation and liquidation solely, but, when a concern fails to meet its commitment to its

customers, management, shareholders, government and indeed economy in general.

The interest of this paper is to identify the causes and effects of corporate failure especially in India and to suggest ways by which the frequency of corporate failure could be minimized in order to alleviate economic and financial operations.

Every corporate body is expected to formulate corporate strategy as well as put in practice the various decision patterns that will:

- 1) Defining the strategic nature of business that it intends to undertake as well as the type of economic and human resources it intends to organize based on trustworthiness properly embedded in ethical culture of the environment aimed at developing the attitude of the employee to give their best in terms of productivity (Dietz and Gillespie, 2012);
- 2) Produce the major policy strands as well as plan to achieve the objectives and goals (Mbat, 2001);
- 3) Outline and disclose its objectives and goals especially, through research and development efforts (Preston and Post, 1975).

Corporate bodies are intended to formulate corporate strategies that meet the demand of the market with the main purpose of generating profit, but many fails before they are well established as due to inappropriately formulated strategies, managerial inefficiency and ineffectiveness. A corporate body can also equally fail because of its inability to manage its financial resources available to it. This can create a liquidity problem which could be traced to different aspects of corporate operations. A situation where business incur huge losses, inability to pay its stakeholders at the end of its operating period, all this happen due to inability of mangers in resource mobilisation and its allocation decision making. Very often management and board of director keep the failed corporate entity alive in the mind of shareholder through the window dressing with the help of external auditor (McQueen, 1987). External auditors are those auditors who are well placed in a position in organisation to give pre-warning signal on management, accounting and financial problems. If they fail to do this, they have failed in their duties as external auditors. They are interested in preserving their job in the organisation which ultimately will fail and they lose

the job anyway. A case of United States Company known as Enron (International Swaps and Derivatives Association [ISDA], 2002). No matter the type of window dressing that is done to the accounts of the company, outright failure that will be known to everybody is imminent. This is a situation where a company is technically insolvent, in other words company having negative asset values which are not able to pay off its liability, as this is purely based only on balance sheet and ignore cash flows.

Three types of corporate failure could easily be identified namely:

- 1) A corporate body with low or negative returns (Berryman, 1982).
- 2) A corporate body that is technically insolvent (Bedelan, 1984).
- 3) A corporate body that is bankrupt (Berryman, 1982) and (Baird and Rasmussen, 2002).

An organisation consistently incurring low or negative return is bound to fail sooner or later because there is no growth opportunity. A firm is technically insolvent when its assets are not able to meet its liabilities due. A firm which is bankrupt will always exhibit its total assets less than its total liabilities thus ratio between assets and liabilities are less than one. However, technical insolvency and bankruptcy are always similarly treated in the courts of law.

CAUSES & EFFECT OF CORPORATE FAILURE

Corporate failure in any corporate entity happens due to many factor which can be categorise as external factor and internal factor. Those factors that are not directly under control of the failing concern are termed internal factor e.g. Competition, the action of business circle; change in public demand, excessive regulations, and of recent the globalization threat. Many studies conclude, however, that fundamental to all causes of business failure is the human element, or especially the lack of good management and corporate governance Harold (1973), World Bank (1989), De Juan (1987), and Alashi (2003).

However, internal factors can be describe as poor management, excessive expense, inadequate revenue, excessive floating debt, unwise dividend policy. Good management would plan and set all necessary system in motion, provide necessary

foresight, initiate skills, and perseverance to adjust the affairs of a concern to meet it. Conceding the truth of the basic factor of management, but recognizing also the fallibility of human judgment, the following may be listed as what we call fundamental causes of corporate failure:

External factors

- Excessive competition: There is no threat no shock and no fear to a business than that of good product in the hand of a competitor. Competition has led so many firms to lose market to their rivals and subsequently close down.
- Operation of the business circle: The business circle is generally considered to have four principal phases: prosperity, decline, depression and recovery. In periods of prosperity most companies are loaded with large inventories to meet the apparently continuing demands of their customers. When such inventories have to be sold at a loss during periods of declines or depressions many concerns are financially unable to stand the strains, and as a result more failures occur during depression than any other time.
- Change in public demand: Shift in demand of a product by public as a result of technological advancements or arrival of better products may lead to a failure of a concern.
- Casualties: This is what is otherwise call “act of God” an act of nature, may be a directly cause of failure. Earth quake, a tidal wave, flooding, crisis and other disturbances may ruin an enterprise and its practical possibilities of success.
- Excessive shift in government policy: Closely akin to act of nature are “acts of sovereign” Government can enact a law defining or prohibiting certain economic activities or even bring stiff regulations, all these may spell doom an enterprise. Other example of legislative act sometimes leading to failure include: sudden burdensome taxes, minimum wage, the removal of tariff protection, an increase in tariff of essential materials. Also legislation in other country may lead to failure.
- Socio economic and political unrest: The environment which a firm operates determines its life. In an environment that is characterized



by: uncontrollable social unrest or the political atmosphere is not certain or there are persistent changes in macroeconomic policy will adversely affect the life of a business concern.

Internal factors

These are factors that are directly cause by management or weak corporate governance or mostly combination of the two, these are discussed below:

- **Mismanagement:** Poor management due to selfish, greediness or lack of competency is charged with the responsibility of almost bases of failure discussed so far. More directly chargeable with management are certain other situations which may be set forth very briefly as follows:
- **Excessive expenses:** This happened as a result of use of obsolescent machinery, antiquated production methods unprofitable sales, neglect of details and firm improper organisation.
- **Inadequate revenue:** This arise out of competence in the sales department vis a vis quality of the product or services, pricing policy, and even from poor promotion.
- **Over capitalization:** This can be traceable to promotion or later financing, perhaps to over expansion. The sales of corporation securities may have been poorly timed, the financial plan may be ill fitting, or subsidiaries or other units may have been acquired at unwarranted costs.
- **Excessive Floating debt:** This could be induced through malfunctioning of the credit department, through expansion of the business without provision for adequate working capital, through the acquisition of fixed assets by short term notes, or even by the effect of inadequate banking facilities.
- **Unwise dividend policy:** which often though not always goes hand in hand with inadequate maintenance, may so badly deplete the resources of a concern as to show the seeds of failure. Funds which should be used for maintenance or as reserves are sometime distributed to shareholders in order to make "good news" the good showing may later contribute importantly to poor showing.
- **Fraud and embezzlement:** Fraud may arise in

many ways. It may consist simply of embezzlement, which if very serious may set off spark of failure. The sale of properties, directly or indirectly by directors or their associates to the corporation at highly inflated value may cause failure to the corporation.

- **Income smoothing:** Management oftenly engaged in income smoothing activities in order to post higher profit figure than expected, this will in turn earn them reward and bonuses. Smoothing income in long run affects business operations and lead to failure
- **Weak corporate governance:** Corporations are artificial beings created by law. They hold assets, conduct transactions, and sue and are sued. The business of corporations is champion by board of directors appointed by owners. Corporate Governance should provide a structure and processes within which shareholders, directors and management conduct a business of a concern with the ultimate aim and objective of realizing long term share holders' value while taking into account interest of other stakeholders. Therefore, good corporate governance demands not only transparency, accountability and probity but, also, a sense of conviction and commitment to ensure that the interests of all parties are protected. Weak corporate governance has contributed too many business failures, (George, 2002).

The possible effects of corporate failure include:

- 1) Increase in the level of unemployment.
- 2) Decreasing standard of living.
- 3) Underutilization of resources.
- 4) Increase in crime level.
- 5) Instability of the banking system due to inability to pay back borrowed funds.
- 6) Instability of the financial markets where short to medium and long-term funds were sourced and corporate failure makes it impossible to meet such obligations

SYMPTOMS OF FAILURE

Although "what is certain about the future always uncertainty". Failure doesn't happen overnight except that associated with a catastrophe which happened very seldom. Thus, failure is predictable

before its happening, and the earlier it's foreseen the more likely it can be prevent. Qualitative and quantitative models have been developed to predict failure and even discriminate the distress periods from healthy periods. As inferred from the works of Ogunleye (1993), Donly, (2004) Imala, (2004) failure more specifically in banking sector manifest several symptoms, some at an early stage while others at a later stage. They enumerated these symptoms as follows

- a) Persistent lateness in submitting required return on account to regulatory bodies.
- b) Engagement in the falsification of returns, this serves as a more discoverable evidence of financial distress.
- c) Rapid staff turnover and /or frequent changes in top management.
- d) Affliction with persistent liquidity problems.
- e) Inability to meet obligations as at when due.
- f) Frequent changes of auditors who refuse to compromise may also be a symptom of financial failure.
- g) Use of political influence.
- h) Incessant complaint by customers.
- i) Persistent adverse clearing position.
- j) Borrowing at desperate rates.
- k) Persistent contravention of laid down rules.
- l) Window dressing of financial records

The above list is not exhaustive and not all the conditions are manifested out rightly. However one or two of those conditions are always noticeable on critical observation before degenerating into financial distress/insolvency. Kunt et al, (2004) opined that symptoms emanate when significant segment of an organisation become illiquid or insolvent.

FAILURE PREVENTIVE MEASURES

According to a study commissioned by the U.S. Small Business Administration (SBA), one out of three new small businesses fails after the first two years. The same study showed that more than half (56 percent) fail after the first four years. Regardless of current economic conditions, small business owners can take several precautions to

prevent the loss of all their time, money and effort in a failed business venture.

• Manage Cash Flow

Many start-up businesses struggle with cash flow issues. These companies must maintain a balance between getting cash in the door through sales and covering their expenses. When a company experiences extended periods of negative cash flow, the effects on the business is the same as that on an individual who experiences a loss of blood flow: lethargy, incapacitation and eventual death. A weak start-up company must do what it can to bring in revenues while limiting expenses.

• Develop a Strong Business Plan

A famous quote goes, "If you fail to plan, you plan to fail." While no entrepreneur goes into business planning to fail, many of them start off failing to plan. A strong business plan is a vital outline for business success. This document details the path by which a company intends to bring in its revenues. The SBA provides resources for small business owners to develop their business plan before they launch their efforts.

• Avoid High Debt

Loans, credit cards and other forms of debt can be a double-edged sword for a small business. Although most companies rely on some level of credit to get the capital they need to launch, the downside of credit comes when the time to repay the loans arrives. When a company spends most of its cash flow on repaying debt, rather than expanding the customer base or adding employees, it lacks the flexibility to keep up with the competition.

• Make Accurate Projections

Many entrepreneurs are optimists by nature. They see that their ideas can change the world and adapt a positive outlook toward their endeavours. However, this optimism can also lead them to overestimate their potential revenues and underestimate their future costs. These unrealistic projections can lead business owners to make poor decisions based on inaccurate data. The owners must take off the rose-colored glasses and make accurate projections for both revenues and costs to keep their business dreams alive.



PREDICTING FAILURES THROUGH MODELS

There are various corporate entities in India which are continue to operate (or more accurately are kept in operation even after their economic value is in question) even after incurring loss (Bhatia, 1988). So to counter these problems in any economy corporate failure prediction model has been developed. Corporate failure models can be divided into two groups: quantitative models which are based largely on published financial information, using financial ratios to predict corporate failure using a univariate analysis method (Beaver, 1966). Qualitative models which are based on an internal assessment of company concerned. Both type of models attempt to financial and non financial features which can be later classified into surviving and failure entities.

Quantitative models: These models are able identify the differences between surviving and failing companies with the help identifying the financial ratio of each entity. There are six ratios identifies for the study that represent each category and previously been accepted by practioners. The ratios and their potential implication for failing firms are listed below.

- **Cash-flow to Total Debt:** this ratio displays the total amount of cash coming into the business and total amount of liabilities which are to be paid off. A higher ratio indicates that company is able to meet its debt obligation and has less chance to go bankrupt.
- **Net-Income to Total Assets:** This ratio signifies that how much profitable company is, in respect of its assets employed, this ratio is also known as return-on-assets(ROA), higher ratio indicates business less likely to fail.
- **Total Debt to Total Assets:** this ratio displays that how much of company's assets are financed by debt. Overall bankruptcy risk increases as more debt is added to the capital structure.
- **Working Capital to Total Assets:** In this ratio, the numerator, net working capital which signifies the difference between current assets and current liabilities, this measures the company near-term liquidity and overall financial health of a company. The denominator in the ratio adjust the working capital level to

the size of the company, which make it possible to compare across firm, extremely low level of working capital indicate an imminent liquidity problem, while there is no optimal level that can determined equivalent for all other companies.

- **Current Ratio:** This is common ratio which measure liquidity of any firm through current assets over current liabilities. Low level of current ratio indicates liquidity issues.
- **No-Credit Interval:** This ratio is calculated as net working capital over amount of daily expenses, which represent that length of time required by any organisation to finance its daily operating expenses, provided that it is making no additional sales. This ratio is less commonly used and represents another measure of liquidity; higher ratio indicated lower probability of failure.

Beaver, 1996 states that cash flow to total debt is the best ratio among all the ratio for corporate failure prediction followed by net income to total assets (ROA) ratio, while other ratio shows least predictive power.

ALTMAN'S Z-SCORE

This model is one of mostly used model in predicting failing entities. This model was developed using an approach is based on multiple discriminant analysis (MDA) and was one of the many multivariate analysis studied that built upon Beaver's initial finding. The five key ratio were derived from evaluation and previous literature and came up with final discriminate function described as

$$Z = 0.012(WC/TA) + 0.014(RE/TA) + 0.033(EBIT/TA) + 0.006(MVE/TL) + 0.999(S/TA)$$

WC/TA	Working Capital / Total Assets
RE/TA	Retained Earnings / Total Assets
EBIT/TA	Earnings Before Interest and Taxes / Total Assets
MVE/TL	Market Value of Equity / Total Liabilities
S/TA	Sales / Total Assets

With the help of Altman's Z score 104 Indian firms has been analysed and out of these firms selected, 17 firms were critical in situation and which can later enter into bankruptcy category

Indian Companies	Altman's Z score
Hathway	1.78
Adani Ports and SEZ	1.71
Shree Renuka Sugars	1.68
Great Eastern Shipping	1.68
Educomp Solutions	1.59
Adani Enterprises	1.53
Bharti Airtel	1.53
Jaiprakash Associates	1.48
JSW Energy	1.43
Cox and Kings	1.41
ITNL	1.39
IRB	1.36
Aditya Birla Nuvo	1.29
Power Grid	1.11
Lanco Infratech	0.88
Indiabulls Power	0.64
Adani Power	0.52

Source: Morgan Stanley

Altman Z score normally predict the probability that firm will go into bankruptcy within two years; Z score uses multiple corporate income and balance sheet values to measure the financial health of a company. This score provides that any corporate entity which have z score greater than 2.60 i.e. ($Z > 2.6$) is in safe zone, while z score between 1.1 to 2.6 i.e. ($1.1 < Z < 2.6$) indicate corporate entity is in grey zone in which distress may or may not be impending and z score less than 1.1 i.e. ($Z < 1.1$) indicate entity is in distress or bankruptcy zone.

Qualitative Model: Under this model financial measures are used as sole indicators of organisational performances, this model is based on non-accounting or qualitative variable. One of the widely used qualitative model is "A score" model (Argenti, 1976), which suggest that failure process follows a predictable sequence: Defect – Mistake Made – Symptom of failure.

- Defect – This can be segregated into two different heads i.e management weakness and accounting deficiencies. Management weakness are : autocratic chief executive(8), failure to separate role of chairman and chief executive(4), passive board of director(2), lack of balance of skills in management team – financial, legal, marketing etc (4), weak finance director(2), lack of management in debt (1), poor response to change (15). Accounting

deficiencies are: no budgetary control (3), no cash flow plans (3), no costing system (3).

Every parameters under defect had been given marks which are displayed just beside them in bracket, total marks for defect could be 45, As per Argenti (1976) marks of 10 or less is satisfactory.

- Mistake Made: As per Argenti, 1976, if the management of any organisation is weak, there will be three mistake which bound to occur,

High Gearing – a company allows gearing to rise to a such level that one adverse event can have devastating consequences (15).

Overtrading – this occur when entity expand more rapidly than it's financing is capable of supporting. The capital base became too small and unbalanced (15).

The big project – any external/internal project which might bring down the company on the verge of bankruptcy (15).

Marks are awarded to each parameter, suggested pass marks for mistakes is a maximum of 15.

- Symptom of failure: Final stage of process occur when symptom of failure become visible. Following categories are: Financial sign (4), Creative accounting (4), Non financial sign (3), and Terminal signs (1).

CONCLUSION

The paper discusses failure its causes, preventive measure and models. We came to a conclusion, that mismanagement of the affairs of a corporation epitomized by lack of attention to detail, lack of accountability of responsibility, operations and performance, unprofessional attitude of reporting accountants, a lack of integrity in the corporate affairs internal process and system, poor and self decision making by those at the helm of affairs of a concern, coupled with macro economic and political instability are the major contributors to failure.

Business failure in India are because of wrong location, too fast growth, without advance organisational planning and capital provisioning, inability to market large quantities of products and poor credit recovery from marketing network. It gets business into vicious circle. Poor cash flow management and thin margins available to SMEs in competitive markets depending on distribution



network are some important reasons for failure. These can be watched and monitored.

Early warning of corporate failure can be predicted from following signal i.e ROI is less than 25% or have employee turnover rate more than 15 % or your labour costs are more than 10%-30% of total cost of production depending on type of industry from highly automated to manual process industry or service organization (30 to 50%). Not only a core band of loyal customers is required (through CRM practices) but new markets and customers have to be added. The firm must have one or more critical success factors working to its advantage and to protect it against volatility and competition-Like better technology or better network or a strong brand or the product design and delivery network. The world class organizations that attempt to

remain in forefront of technology breakthroughs, high value additions, product variety, on time delivery and competitive prices are hard to kill. They often are companies having polite and aggressive front desk employees and sales persons with quick customer support. (In India even a little success of an organization makes executives loose courtesy, response and communication).

To stem corporate failure and its debilitating effects on the economy, proper effort should be made towards establishing and maintenance of a corporate culture that will relied upon a leadership equipped and able to establish a culture within the organization that would be able to recognize risk and take actions that would lead to prosperity.

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Influences of Type of School and Area on the Organizational Climate of Secondary Schools

* Dr. Vijay Kumar

ABSTRACT

Present study intends to study the influence of institution type and area on the organizational climate of secondary schools. Using descriptive survey method, the data is collected from 200 teachers working in government and private schools from rural and urban settings of kapurthala district of Punjab. Teachers were selected through random sampling technique from 20 schools. Data was analysed using 2 way ANOVA. The results indicate that a) government and private secondary schools exhibit similar organizational climate; teachers working in rural areas have scored higher on 'disengagement', 'alienation', 'production emphasis' and 'humanized thrust' dimensions of organizational climate & leader behavior characteristics of organizational climate than the teachers working in schools situated in urban area; teachers working in rural areas have scored less on 'controls' dimension of organizational climate and group behavior characteristics of organizational climate than the teachers working in schools situated in urban area.

Keywords: *Organizational Climate; Government; Private; Urban; Rural; Secondary schools*

1. INTRODUCTION

At a time when all nations of the world are preparing the youth to face the requirements of the fast approaching twenty first century, people in general and educators in particular are keen, overtly as well as covertly, about the future of education from different angles of vision. There is a reason for all to be more confused about this problem because, all said and done, we seem to be still in a state of uncertainty about a clear cut policy of educational reformation, in spite of our acquaintance with the long history of education from the medieval times.

Educationists and research workers are compelled to evaluate educational system, to judge the productivity of the school, its usefulness, the standards of education and attainment of objectives. The central force of all school activities, as we all know, is the child.

The school is an integral part of a community. It is important to democracy as a means of introducing young people with this kind of national loyalty and they are equally important because democracy is a form of government, requiring an educated citizenry. Schools are the instruments through which each citizen can do something about his responsibility for the improvement and well being of all others and thus through practice strengthen his devotion to his ideals. The strength of such

common concern for man-kind is the very heart of our way of life. As each citizen joins his responsibility for the schools, he serves and develops his common interest in continuously achieving a better tomorrow through fullest development of the finest qualities in individuals throughout the country. Such a common goal has no dead end. It is ever-extending and self-generating. If a student does not take, into subsequent life an enduring concern for some field of knowledge and art, lying outside his immediate professional pre-occupations, schooling for him has been a failure, no matter how good student he was.

The reputation of a school does not depend upon a tall, beautiful and well-equipped building. It depends upon a fresh and delightful educational atmosphere which is measured in terms of the dignity, prestige, courage and devotion of those who work in it. Students whose personalities have been shaped by the teachers through constant efforts will make the reputation enduring.

Of all educative agencies only the school consistently concerns itself with the service to the pupil and the development of his potential. Many other agencies are educative to the child but the school exists for the very purpose of human development. The good school does not attempt to provide education in isolation from and

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indifference to the learning experiences encountered at every turn by the pupil. The good school is concerned with human development. It views each experience as affecting the total personality of the individual. It is concerned with human relations and realizes that what is learnt by the pupil in school.

Education is the central agency in shaping the future of the individual and the nation. Long ago, Plato observed, "The quality of the citizens depends upon the education that is imparted to them." It has been a vital force in the regeneration of nations.

1.1 Organizational Climate

Literature on organizational climate is the first systematic analysis of the problem to Chris Argyris. He suggested that an interpersonal atmosphere of trust, openness, and low threat need to be created. Without such an atmosphere, people feel they must attempt to hide conflict, which makes the problem that is much more difficult to identify and deal with.

The goal of human resources development as a field of research and practice is to discover the technology through which organizations will become more effective by making employees more productive and satisfied in their work.

The concept of organizational climate was first developed by Lewin, Lippitt and White (1939). Although there are a variety of concept but there is general agreement that organizational climate arises from routine organizational practices that are important to an organization's members that it is defined by member perceptions and that it influences member's attitudes and behaviour. Thus, school climate is a relatively enduring character of a school that is experienced by its participants that affects their actions and that is based on the collective perceptions of behaviour in the school.

It may be defined as a set of properties of the work environment, which are specific to a particular organization, that may be assessed by the way the organization deals with its employees and its societal and task environment (Ivancevich, Szilagyi Jr. and Wallace Jr., 1977). Schneider (1990) defined climate as a shared perceptions of organizational policies, practices and procedures, both formal and informal. It is a concept that is indicative of the organization's

goals and appropriate means to goal attainment. Fink et al. (1995) defined organizational climate as a set of attitudes and beliefs relating to the organization that is shared and collectively held by organizational members as a whole. William et al. (1996) defined organizational climate as the favorableness or unfavorableness of the environment for people in the organization. James et al. (1990) defined climate for individuals in the organization as the extent to which the organization provides for the well being of its members.

Tagiuri (1968) suggested as "Climate is generally defined as the characteristics of the total environment" in a school environment. He described the total environment in an organization, i.e. organizational climate as composed of four dimensions: (i) the ecology (ii) the milieu (iii) the social system (iv) the culture. 'Ecology' refers to the physical and material factors in the organization. It also refers to the technology used by people in the organization. 'Milieu' is the social dimension in the organization. This includes everything relating to the people in the organization. 'Social System' refers to the organizational and administrative structure of the organization. 'Culture' refers to the values, belief system, norms and ways of thinking that are characteristic of the people of thinking that are characteristic of the people in the organization.

The research on organizational climate has been done keeping in view various aspect of work life in different sectors of work. In schools also there is wide variety of work has been done on organizational climate. The factors constituting the organizational climate remained similar in school settings. Farber (1969) singled out disengagement as the best single dimension indicator of a school's organizational climate. The number of students enrolled in a school had no significant relationship to the organizational climate of a school: nevertheless, as the size of the school increased, the climate tended to become more closed.

Brickner (1971) found that (a) the Principals perceived significantly higher Espirit and consideration and trust, Disengagement and Hindrance than their faculties; (b) Leadership behavior was significantly related to organizational climate; (c) Leadership behavior was not significantly related to faculty size; and (d) 'Espirit' was the only dimension significantly related to faculty size.

Gandhi (1977) conducted a study of school climate as a function of personality of school personnel, of pupil control ideology. The results indicated that significant differences were found to exist among open, intermediate and closed climate schools; Teachers serving in relatively open schools were significantly more humanistic in their pupil control ideology than their counterparts, belief systems of teachers in open and closed climate schools differed significantly.

Gaba (1980) found that teachers of both government and privately managed schools did not differ in their behaviour as a group except on the variables of Disengagement, Espirit, Aloofness and trust.

Amarnath (1980) conducted a comparative study of the organizational climate of government and privately managed higher secondary schools in Jalandhar district, he found that the government and privately managed schools as a group, did not differ significantly in their organizational climate but differed from school to school.

Joshi (1980) investigated into organizational climate of high and secondary schools of Rajkot city. The findings revealed that all categories of climate were available in the schools of Rajkot city. There was no difference with respect to the category of organizational climate between government schools and private schools, high or low performing schools, those with varying size, location and different streams.

1.2 Significance of the Study

Education is national investment. If a student fails and is unable to achieve what he is capable of, investment is wasted. Wastage in education is very much costly for the nation. Failure among students is one of the serious problems faced by educationists, teachers and parents. In order to find a solution to this huge and important problem of poor achievement and productivity of schools, it becomes necessary to locate the various factors that influence the productivity of the school.

The concept of the organizational climate of an educational institution is relatively new. Organizational climate can be defined as the organizational 'Personality' of a school, and is the result of interaction between the group and the leader and within the group itself.

It is considered that organizational climate is significantly related to the efficiency of a school,

meaning thereby that schools which have good organizational climate should achieve better. In other words, school which achieve better i.e. in which students do very well in the exams and win prizes in co-curricular activities should have a good organizational climate.

After the literature review, it is found that there is some good amount of research which had been conducted in the field of education taking organizational climate with association to numerous variables but a very few studies have been conducted taking it as single factor for performance of a school. In the present investigation, the investigator revealed the significance of organizational climate in government and private schools.

1.3 Objective

The present study is designed to study the organizational climate in government and private schools situated in rural and urban areas.

1.4 Hypothesis

In the light of above stated objective, it is hypothesised that there is no significant difference between various dimensions of organizational climate of government and private schools situated in rural and urban areas.

2. METHODOLOGY

2.1 Sample

For the present study, 20 government and private schools were selected randomly from urban and rural areas of Kapurthala district. Out of these schools, 10 teachers from each school were selected randomly to collect information about organizational climate. In total 200 school teachers comprised the sample.

2.2 Procedure

In order to conduct the present study, two stage random sampling technique was used. At the first stage, 20 schools (10 Government and 10 Private each) were selected randomly from rural and urban areas of Kapurthala District. At the second stage, 10 teachers from each school were selected randomly. For ensuring the co-operation of teachers, good rapport was established with them before administration of test. The teachers were asked to respond as truthfully as possible to



the School Organizational Climate Description Questionnaire. After the collection of data, scoring was done and scores were subjected to statistical analysis.

2.3 Research Design

Organizational climate of the schools was studied in relation to area i.e. rural & urban institutions and type of school i.e. Government & Private schools. For the present study, a 2x2 factorial design has been employed on the scores of eight dimensions i.e. 'disengagement', 'Alienation', 'Espirit', 'Intimacy', 'Psycho-physical Hindrance', 'Controls', 'Production Emphasis', 'Humanized Thrust' of organizational climate. These dimensions are studied as dependent variable and area & type of school are studied as independent variable.

2.4 Tool

School Organizational Climate Descriptive Questionnaire (SOCDDQ) developed by Sharma and Sharma (1978) has been used in the study to collect the data. This tool measures the following dimensions i.e. Disengagement, Alienation, Espirit, Intimacy, Psycho-Physical Hindrance, Controls, Production Emphasis, and Humanized Thrust.

2.5 Statistical Techniques Employed

Following statistical techniques has been employed to analyze the data.

1. Descriptive statistical techniques like mean, standard deviation is employed to understand the nature of the data.
2. t-ratio and 2 way ANOVA is employed on the scores of various dimensions of organizational climate to find significant difference between means for various dimensions of organizational climate.

3. RESULTS

The means of sub groups for 2x2 design of ANOVA on the scores of various dimensions of organizational climate has been calculated as and presented below in the table 1:

In order to analyse the variance in various dimensions of organizational climate of schools, the obtained scores were subjected to ANOVA and the result have been presented below in the table 2.

MAIN EFFECTS

School Type

It may be observed from the table 2 that the F-ratio for the difference between the means of government and private senior secondary schools on various dimensions of organizational climate are not found to be significant even at the 0.05 level of confidence. Thus, the data did not provide sufficient evidence to reject the hypothesis (1), "There is no significant difference between various dimensions of organizational climate in government and private schools. Meaning thereby, similar type of organizational climate exists in government and private schools.

Area

It may be observed from the table 2, that the F-ratio for difference between means of rural and urban senior secondary schools on disengagement, alienation, controls, production emphasis and humanized thrust dimensions of organizational climate & leader behavior and group behavior characteristics of organizational climate are found to be significant at the 0.05 or 0.01 level of confidence. Thus, the data provide sufficient evidence to reject the hypothesis (2), "There is no significant difference between various dimensions of organizational climate in rural & urban schools". From the means analysis in table 1, it has been found that teachers working in rural areas have scored higher on 'disengagement', 'alienation', 'production emphasis' and 'humanized thrust' dimensions of organizational climate & leader behavior characteristics of organizational climate than the teachers working in schools situated in urban area. However, teachers working in rural areas have scored less on 'controls' dimension of organizational climate and group behavior characteristics of organizational climate than the teachers working in schools situated in urban area.

Interaction

It may be observed from the table 2 that the F-ratio for the interaction between school type & area was found to be significant at the 0.05 or 0.01 level of confidence on the scores of disengagement, intimacy, psycho-physical hinderance, production emphasis dimensions of organizational climate and group behavior characteristics of organizational climate in

government and private schools in rural and urban areas.

To identify the difference of means of various cells of 2X2 design due to which F-ratio for the interaction between school type and area is found significant, t-ratios were calculated and recorded in the table 3.

The Table 3 reveals that the t-ratios are significant for interaction for 'disengagement' dimension of organizational climate for sub groups M1M2, M2M3 and M2M4. From table 1, it is revealed that disengagement is perceived more by teachers working in private schools situated in rural area than by teachers working in government schools situated in rural and urban areas & private schools situated in urban areas. Similarly, the above table reveals that the t-ratio is significant for interaction for 'intimacy' dimension of organizational climate for sub group M1M2 which means that teachers working in private schools situated in rural areas have scored more on 'intimacy' dimension of organizational climate than teachers working in government schools situated in rural areas. On 'psychophysical hindrance' dimension of organizational climate t-ratio is significant for interaction for sub group M3M4 which means teachers working in government schools situated in urban areas scored more on psychophysical hindrance dimension of organizational climate than teachers working in private schools situated in urban areas. The above table also reveals that the t-ratio is found significant for interaction for 'production emphasis' dimension of organizational climate for sub groups M1M3, M2M3, and M3M4. From means analysis, it is found that teachers working in government schools situated in urban areas scored less on 'production emphasis' dimension of organizational climate than teachers working in private and government schools situated in rural areas & private schools situated in urban areas. Lastly, t-ratios were found significant for interaction for 'group behaviour' characteristics of organizational climate for sub groups M1M2, M1M3, and M1M4. From means analysis, it is revealed that teachers working in government schools situated in rural areas have scored less than teachers working in private and government schools situated in urban areas & private schools situated in rural areas.

Discussion on Results

From the results it can be interpreted that

government and private secondary schools exhibit similar type of organizational climate. This finding is in tune with finding of **Thaninayagam (2014)** who found similar result that government and private secondary schools do not differ on organizational climate. However, **Shalmani et al (2015)** concluded that teachers of government schools are found to be more disengaged in their work than their counterparts. Secondly, the teachers working in rural areas have scored higher on 'disengagement', 'alienation', 'production emphasis' and 'humanized thrust' dimensions of organizational climate & leader behavior characteristics of organizational climate than the teachers working in schools situated in urban area. Meaning thereby, that teachers working in rural areas feel that as a group, there is more a groupism and enemy feeling; more emotional distance or formal relationships than teachers working in urban areas. Similarly, the teachers working in rural areas feel that their principal is more directive and works unilaterally without giving them ears than teachers working in urban areas. In totality the principals in rural schools exhibit more leader behavior as compared to teachers working in urban areas. However, rural teachers feel that their principals are more bureaucratic and impersonal in behavior as compared to teachers working in urban areas. Similar to this **Thaninayagam (2014)** reported that urban teachers scored higher on organizational climate as compared to rural teachers. From the results, it is found that teachers working in rural areas have scored less on group behavior characteristics of organizational climate than the teachers working in schools situated in urban area. Meaning thereby, that the climate of urban schools is loaded with human factors, and not task-oriented as compared to the climate of rural schools.

Further, it is revealed that teachers working in private schools situated in rural area are found to be more disengaged in their work and are more "not in it" than by teachers working in government schools situated in rural and urban areas & teachers working in private schools situated in urban areas. Similarly, teachers working in private schools situated in rural areas have more intimacy among themselves and they enjoy more friendly relations & they have closer friends among their colleagues than teachers working in government schools situated in rural areas. This implies that in private schools situated in rural area are not



task orientated and gives preference to human factors. Contrarily, in urban settings, teachers working in government schools felt more psychophysical hindrance than teachers working in private schools. This again highlights towards more administrative work, routine duties and management work load in government schools than private schools in urban areas. Further, this is supplemented by the finding that teachers working in government schools situated in urban areas felt that their principal does not show close supervision of the staff, is less of a “boss” type, and more like a colleague and companion than

teachers working in private and government schools situated in rural areas & working in private schools situated in urban areas. This implies that there is nothing like leader position in government schools in urban areas. Lastly, teachers working in government schools situated in rural areas are less loaded with human factors than teachers working in private and government schools situated in urban areas & teachers working in private schools situated in rural areas. This is important in terms of fact that government schools in rural areas are run more professionally and are task oriented.

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Table 1: Means of Sub Groups for 2x2 Design of Anova on the scores of various dimensions of Organizational Climate

Dimensions of Organizational Climate	Area	Government	Private	
Disengagement	Rural	M1 = 16.04 $\sigma_1 = 3.68$	M2 = 19.02 $\sigma_2 = 4.07$	MM1 = 17.53
	Urban	M3 = 16.7 $\sigma_3 = 4.15$ MM3 = 16.37	M4 = 17.1 $\sigma_4 = 3.9$ MM4 = 18.06	MM2 = 16.9
Alienation	Rural	M1 = 9.56 $\sigma_1 = 2.63$	M2 = 10.54 $\sigma_2 = 2.34$	MM1 = 10.05
	Urban	M3 = 9.56 $\sigma_3 = 6.68$ MM3 = 9.56	M4 = 9.99 $\sigma_4 = 1.5$ MM4 = 10.23	MM2 = 9.74
Espirit	Rural	M1 = 23.64 $\sigma_1 = 6.17$	M2 = 24.78 $\sigma_2 = 3.60$	MM1 = 24.21
	Urban	M3 = 24.84 $\sigma_3 = 4.0$ MM3 = 24.24	M4 = 25.66 $\sigma_4 = 5.27$ MM4 = 25.22	MM2 = 25.25
Intimacy	Rural	M1 = 20.64 $\sigma_1 = 3.63$	M2 = 22.28 $\sigma_2 = 3.47$	MM1 = 21.46
	Urban	M3 = 22.54 $\sigma_3 = 3.91$ MM3 = 21.59	M4 = 21.58 $\sigma_4 = 3.69$ MM4 = 21.93	MM2 = 22.06
Psychophysical Hinderance	Rural	M1 = 13.54 $\sigma_1 = 2.84$	M2 = 13.92 $\sigma_2 = 3.19$	MM1 = 13.73
	Urban	M3 = 14.46 $\sigma_3 = 2.82$ MM3 = 14	M4 = 12.9 $\sigma_4 = 3.03$ MM4 = 13.41	MM2 = 13.68
Controls	Rural	M1 = 13.96 $\sigma_1 = 3.92$	M2 = 15.04 $\sigma_2 = 3.12$	MM1 = 14.50
	Urban	M3 = 14.18 $\sigma_3 = 2.5$ MM3 = 14.07	M4 = 16.12 $\sigma_4 = 3.03$ MM4 = 15.58	MM2 = 15.15
Production Emphasis	Rural	M1 = 19.56 $\sigma_1 = 4.17$	M2 = 20.68 $\sigma_2 = 3.09$	MM1 = 20.12
	Urban	M3 = 17.34 $\sigma_3 = 4.0$ MM3 = 18.45	M4 = 20.94 $\sigma_4 = 3.72$ MM4 = 20.81	MM2 = 19.14
Humanized Thrust	Rural	M1 = 37.7 $\sigma_1 = 9.2$	M2 = 40.38 $\sigma_2 = 6.27$	MM1 = 39.04
	Urban	M3 = 35.44 $\sigma_3 = 8.04$ MM3 = 36.57	M4 = 39.84 $\sigma_4 = 7.88$ MM4 = 40.11	MM2 = 37.64
Group Behavior	Rural	M1 = 68.88 $\sigma_1 = 11.02$	M2 = 76.52 $\sigma_2 = 8.56$	MM1 = 72.20
	Urban	M3 = 73.64 $\sigma_3 = 11.02$ MM3 = 71.26	M4 = 74.26 $\sigma_4 = 9.99$ MM4 = 75.39	MM2 = 73.95
Leader Behaviour	Rural	M1 = 84.76 $\sigma = 16.19$	M2 = 90.02 $\sigma_2 = 11.04$	MM1 = 87.39
	Urban	M3 = 81.42 $\sigma_3 = 8.12$ MM3 = 83.09	M4 = 89.8 $\sigma_4 = 12.98$ MM4 = 89.91	MM2 = 85.61

N1= 50; N2= 50; N3= 50; N4= 50



Table 2: Summary of ANOVA for various Dimensions of Organizational Climate

Dimensions of Organizational Climate	Disengagement			Alienation		Espirit		Intimacy		Psychophysical Hindrance	
SOV	Df	MSS	F- ratio	MSS	F- ratio	MSS	F-ratio	MSS	F-ratio	MSS	F- ratio
School Type	1	19.8	1.16	4.76	0.86	54.07	2.39	18	1.44	0.13	0.01
Area	1	142.9	8.38**	22.45	4.09*	48.02	2.13	5.78	0.46	17.41	1.49
Interaction	1	82.3	4.82*	4.71	0.85	82.3	3.65	84.45	6.77**	47.04	4.03*
Within	196	17.04		5.48		22.55		12.44		11.68	

Dimensions of Organizational Climate	Controls			Production Emphasis		Humanized Thrust		Group Behaviour		Leader Behaviour	
SOV	Df	MSS	F- ratio	MSS	F- ratio	MSS	F-ratio	MSS	F-ratio	MSS	F- ratio
School Type	1	21.13	1.44	47.98	3.44	98	2.17	78.13	0.56	158.41	0.82
Area	1	114.01	7.81**	278.48	19.9**	626.49	13.8**	852.7	6.11*	2325.61	12.04**
Interaction	1	9.22	0.63	76.54	5.49*	37.05	0.82	615.9	4.41*	121.58	0.62
Within	196	14.58		13.93		45.14		139.4		193.1	

* Significant at 0.05 level of confidence; ** Significant at 0.05 level of confidence

Table 3: t-Ratios between the difference in Means of various cells of 2 X 2 Design on the scores of dimensions of organizational climate

Dimensions	M1M2	M1M3	M1M4	M2M3	M2M4	M3M4
Disengagement	3.87**	0.84	1.32	2.86**	2.28**	.47
Intimacy	3.28**	2.53	1.30	.35	.98	1.28
Psychophysical hindrance	.63	1.64	1.17	.9	1.67	2.73**
Production emphasis	1.5	3.4**	1.76	5.6**	.38	5.5**
Group behavior	3.91*	2.17*	3.36*	1.46	1.76	.38

* Significant at 0.05 level of confidence; ** Significant at 0.01 level of confidence

Factors Influencing The Buying Behaviour Towards Foreign Apparels: An Investigation Conducted in Delhi and NCR

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ABSTRACT

The concept of globalization has woven the entire globe in a single universal community and embraced people from diverse cultures, subsequently resulting in the shrinkage of the world. The fashion industry is emerging as the fastest growing industry in the world. From the last few decades, the fashion industry in India has been experiencing an explosion due to considerable dynamic nature, which increases fashion consciousness among consumers. This study is aimed at understanding consumer ideology towards foreign apparel brand prevailing in the country. This is a descriptive study investigating factors influencing the buying behavior towards foreign apparels in Delhi and NCR. The sample for this research included 250 respondents. This study holds an importance for the marketers, as it is vital for them to understand how varied factors like Enticing Schemes, Brand Quality, Self Esteem etc. impact the consumer's purchase and accordingly design competitive marketing strategies and utilize target market wisely.

Keywords: globalization, foreign brands, apparel industry

INTRODUCTION

Globalization is a prevalent phenomenon that provides global companies and brands with new opportunities (*Alden et al., 1999*). As globalization has been accelerated, consumers in many countries are presented with a large number of brands, both foreign and domestic.

The fashion industry across the globe had flourished spectacularly. Presently, across the world every individual has an exclusive and elegant sense of fashion which is largely linked with the apparels. In today's scenario, Apparels convey people's persona, education level, behavior and their thought process. Potent market drivers like advertisements and fashion shows broadcasted on television, product displays in showrooms and varied fashion events have created a rage and a feel of transnational cosmopolitanism amongst consumers across the world.

In symphony with the global trend, India too has witnessed a boom in the fashion sector owing to

significant hike in fashion awareness amongst consumers. It has been cited that India's market potential is greater than many countries in Western Europe (*Bandyopadhyay, 2001*). Currently, most of the renowned international brands across the globe have made their presence felt in Indian market. Indian fashion industry has advanced from emerging stage to successful blooming industry today. Many Studies have revealed that consumers are enticed by Unique designs, rich textures, alluring discounts schemes and endorsements by eminent celebrities etc. for making a purchase for foreign brands and also building a perception about them.

Indian consumers have also undergone a sophisticated and demanding stage. India is one of the youngest country in the world and the attitude of the Indian consumers are changing at a rapid pace. India being one of the youth driven country in the world has started catering to a more stylish and demanding young consumers, who connect such buying with self-esteem and stature.

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REVIEW OF LITERATURE

Globalization has impelled the growth of the fashion industry and has brought a significant transition in the cultural values, varied preferences of consumers, and consumer's purchase intentions. It has also been deliberated that globalization has increased homogeneity across the world (*Cleveland and Laroche, 2007*). Foreign markets must essentially be tapped for future growth (*Holt et al., 2004*). It has been estimated that by 2030 the world's population is likely to be 9 billion with 90 percent people, belonging to developing countries and rest 10 percent living in developed countries like East Asia, Europe and North America. The World Bank has also predicted that the global middle class is bound to rise from 7.6 percent presently to 16.1 percent by the year 2030 (*Beattie, 2006*). Therefore, it is essential for the companies across the world to evolve global brands (*Gillespie et al., 2002*). As a matter of fact, most of the brands with global presence have enticing traits such as prestige and quality (*Kapferer, 2002; Holt et al., 2004*).

As apparel brands are now being marketed in multiple countries, therefore it has become extremely vital for the marketers to have a clear cross national understanding of the consumers across the world (*Chen-Yu et al., 2001*). Majority of designer apparel companies are making an attempt to reduce the intercultural differences amongst customers on the basis of varied contexts that generate their interest in foreign fashion apparels. Marketing strategies focusing on attributes like self-esteem of the consumers are being used by the marketers to boost their purchase intentions. (*Horowitz, 2009*). Indian consumers have soared into consumerism. (*Gopal & Srinivasan, 2006*). The Indian mediocre segment is bigger in size, in comparison to the segment in Western Europe. Thus, it is a focus of attention for the multinational companies across the globe. (*Nicholls, Roslow, Dubliss, & Comer, 1996*). Varied factors like less interest rates, hike in salaries and new malls are responsible for increasing inclination of Indian consumers towards shopping. (*Bellman, 2005*). To delight this growing chunk of consumers, many U.S. apparel brands, like Ralph Lauren, banana republic, Nike, Lee, Levi, etc. have initiated their business operations in India (*Moreau & Mazumdar, 2007*). The Indian consumer's priorities have shifted from price consideration to a desire for quality and design, as they are more

willing to experiment with fashion (*Biswas, 2006*).

The preference given by the customer to the designer apparel is highly swayed by the social variation of products and customer's self-worth (*Moon et al, 2008*). The customers are often driven by an urge to influence everyone with their capacity to pay high price for premium and high status products. It is often observed that customers flaunt apparels having designer labels, such apparels are often purchased for displaying the personality and status of the use. (*Solomon, 1983*).

The social worth of the product majorly influences the pattern of consumption of the customers, as it defines the intentions for purchase, attitudes of customers or brand perception and advertising slogans (*Rucker and Galinsky, 2009*). There has been a significant shift in factors influencing the purchasing decision related to apparels. It has been observed that influence of parents and siblings reduced, with the age of the customers whereas factors like peers, media, celebrities endorsements, hands on experience, looking up to fashion apparel users, etc. Have influenced more during the growing years of the customers (*La Ferle et al., 2000; Seock and Bailey, 2009*).

Price, quality, advertising, current fashion design and country of origin are considered to be the most influencing attributes for consumers for their decision pertaining to fashion products (*Lim, Arokiasamy, and Moorthy (2010)*). Fashion apparels are meant to be owned for public connotation. It considers varied social needs of the consumers to portray their uniqueness and self-image to astonish others. These apparels are purchased with different intentions, outlook and sensitivity, as per diverse age groups of people. (*Pecheux & Derbaix, 1999*). Fashion magazines are one of the most influential modes for adapting fashion within the concept of global – local effects. (*Tay, 2009*). It has been observed that there is striking contrast in the buying behavior of males and females. Thus, it is obligatory for the marketers to create a distinction in the marketing strategies and embrace attributes other than socio cultural traits. Female consumers having orientation for fashion are taken as drivers and legitimists' in the fashion adoption process (*Belleau, et al, 2008*).

Promotional efforts involving celebrities is one of the most sought after tact of placing fashion apparels in the market, including celebrity owned and celebrity anchored brands. The most common

involvement of celebrities for promotion of products have been cited for fashion apparels, accessories and perfumes. The promotional initiative involving fashion performance and celebrity media holds a strong impact in activating arousal and intentions for purchase amid consumers. The eminent appeal of celebrities significantly push the sales of fashion apparels leads the brands (*Treme, 2010*).

Scope of the problem

A lot of Indian brands in apparels are facing stiff competition and this is going to get intensified with the ever increasing numbers of foreign brands venturing in India. This puts a lot of pressure on Indian brands, since many of them are in their very nascent stage of launching. This study can help analyzing the factors influencing the choice of consumers towards foreign brands.

OBJECTIVES

- To investigate the factors that influence the individual's behavior regarding choice of foreign apparel brands.
- To determine the relationship between demographic variables and factors affecting the buying behavior.

HYPOTHESIS

As demographic variables affect the decision of individuals, therefore, to achieve the objectives of the study the following null hypothesis have been formulated:

H₀ (1) There is no significant relationship between gender and factors, influencing the buying behavior of foreign apparel brands.

H₀ (2) There is no significant relationship between age and factors, influencing the buying behavior of foreign apparel brands.

H₀ (3) There is no significant relationship between marital status and factors, influencing the decision making towards foreign apparel brands.

H₀ (4) There is no significant relationship between occupation and factors, influencing the decision making towards foreign apparel brands.

RESEARCH METHODOLOGY

This study is an empirical research based on the sample of 250 respondents from Delhi & NCR

(Noida and Gurgaon only). Convenient sampling methods has been installed for the collection of sample. The questionnaire was designed with two sections: Section I carries questions pertaining to all the vital aspects like gender, age, occupation, marital status and income. Section II has questions (statements) describing the buying behavior towards the foreign apparel brands. The questionnaire carried statements based on Liker Scale ranging from 1=strongly disagree to 5=strongly agree). The data was subjected to SPSS version 19.0. The study employs factor analysis to find out the underlying factors from the collection of apparent important variables. Factor analysis pulls down the total number of variables into fewer factors and also shows correlation between the factors (Nargundkar, 2005). Further we also used one way analysis of variance (ANOVA) to study the association between demographic variables and factors. Factors which has significant relationship between independent variable (demographics) and dependent variable (factors) were subjected to mean score calculations. Secondary data has been collected through the previous published research work, magazines and newspapers.

RESULT AND DISCUSSIONS

The biggest hallmark of a research instrument is that, it should be reliable and valid (Churchill, 1991). Validity is all about whether the findings are really all about what they are meant to be (Saunders et.al. 2003). At the same time reliability is also important to be measured. Higher the number of items in the questionnaire, greater is the reliability (Kothari, 2003). Therefore, the twenty six items in the questionnaire area were adequate to yield reliability. Reliability is measured using the correlation statistic Cronbach (alpha 0 on a scale of 0 to 1 where '1' denotes a perfect correlation between the item scores and '0' shows no correlation between the item scores. The values higher than 0.7 are considered as acceptable dimension of reliability.

In this case the reliability measured has been 0.786 which suggest unidimensionality of the scale. Thus, it is clear from the reliability analysis that all items seem to be contributing reasonably well to the scale's reliability and a deletion of any item does not affect much on the Cronbach alpha's value (reliability). (*Table 1.2*)



Another method to analyze the reliability of the scale is the inter item correlations. The inter item correlation should exceed 0.30 for data to be reliable (Hair et.al., 1998). In the study, the inter item correlation has been found to be 0.36 which is well above the prescribed value.

FACTOR ANALYSIS

An exploratory factor analysis (EFA) of the factor structure of the scale developed was undertaken with SPSS version 19.0, to analyze the factor structure of the variables. Factor analysis is the permutation of multivariate statistical methods, primarily used to identify the underlying structure in data (i.e. to determine the correlations amongst a large number of variables). It refers to the cluster of interdependent techniques, whereas it summarizes the information from a large number of variables into factors, depending on their relationships (Hair et.al., 1998). The EFA procedure used is 'principle components method' and for extraction of variables 'varimax rotation' has been utilized. Factors with eigen value 1 have been retained (Hair, Anderson, Tatham and Black, 1998). Given the sample of 250, the factor loadings of greater than 0.50 were to be considered significant at 0.05 level of significance. (Hair et.al., 1998)

In order to study the suitability of construct for taking up factors analysis, Bartlett's Test of sphericity (which tests the hypothesis that the matrix is an identity matrix) should be significant. It is a statistical test for estimating the overall significance of correlations within a correlation matrix. The test results are shown in *table 1.1* which shows that it is highly significant (sig=0.000) which indicates, that we can proceed with using factor analysis on the given data.

The KMO test which measures the sampling adequacy is found to be 0.760 which indicates that the factor analysis test has proceeded correctly and the sample used is adequate as the minimum acceptable value of KMO is 0.6 (Kim and Mueller, 1978). Hence, it can be safely concluded that the matrix did not suffer from Multicollinearity (i.e. variables that are very highly correlated). Small values of KMO indicates that a factor analysis of the variable may not be appropriate. Hence the correlations between variable cannot be explained by other variables (Norusis, 1993).

The KMO measure is an index for comparing the magnitudes of the observed correlation coefficients to the magnitude of the observed correlation coefficients to the magnitudes of the partial correlation coefficients. Another Condition for validation is that ideally communalities should be above 0.5 which is satisfied in the study. (*Table 1.1 and 1.2*)

First of all the data is subjected to principle component analysis, where these 23 statements have been reduced to six principle components through varimax rotation. Three statements have been dropped due to factor loading less than 0.40. The derived factors represent the different elements of buying behavior towards foreign apparel brands, which form the original factors derived form a five point scale of 23 items (*Table 1.3*)

Factor 1: Enticing Schemes

The rotated matrix has revealed that five out of twenty three statements have been loaded on significantly to the factor called 'enticing schemes'. This factor has been named so, as it consist of statements like : buy foreign apparels because of rush at the store, buy foreign apparels because of ambience of the store, buy foreign apparels because of their good discounts, buy foreign apparels because they are within my purchasing power, buy foreign apparels because of offer at the time of purchase. Thus, it is observed that lucrative offers and schemes given by the retailers have a strong role in buying. This is the most crucial factor considered by the respondents as this factor explained the highest variance of 14.229%.

Factor 2: Endorsement Influence

The second most important factor accounts for 9.6755 of variance. Six statements load on to high to this variable. The factor includes statements such as : buy foreign apparels because they are renowned brands, buy foreign apparels because I'm influenced from the model, buy foreign apparels because of economical pricing, buy foreign apparels because of better stitch, buy foreign apparels because of their attractive advertisements, buy foreign apparels because I'm influenced from the celebrity. Hence, the sample respondents acknowledged that endorsers in the form of celebrity do influence their buying behavior.

Factor 3: Brand Quality

The third worth noticing factor with high loadings of four statements has been named as brand quality. It includes statements like: buy foreign apparels because fittings of the cloth is better, buy foreign apparels because they are better designed, buy foreign apparels because all the size are available and buy foreign apparels because of better color schemes. Total they accounted a variance of 8.156%, which means that the quality perception of the brand does matter a lot.

Factor 4: Opinion leaders

The fourth noteworthy factor has been a word by opinion leaders. This accounted for a variance of 7.510% and includes statements like: buy foreign apparels because I'm influenced from sports person and buy foreign apparels because of sales man influence. Therefore, the information by the respondents disclosed that opinion leaders have their word for branding. This may be the reason, as to why people are so spell bound at the brand.

Factor 5: Self Esteem

This is a significant factor which accounts for 6.789 % and it as been named as 'self-esteem'. It includes statements like: buy foreign apparels because my brand is known to everybody and Price is not an important factor for me for buying foreign apparels. It is clear that people do maintain their standards by wearing and carrying such brands.

Factor 6: Appealing Factor

The last factor accounts for a variance of 4.886%. This factor has been named as 'appealing factor' and it has statements like: buy foreign apparels because it boosts my self-esteem, buy foreign apparels because of better texture of cloth and buy foreign apparels because of music being played at the store. Hence, it is proved that sample audience do feel that better texture of cloth attracts them. Also, they are influenced a lot by the soothing atmosphere of the store.

Relationship between demographic variables and factors influencing buying decision:

The summary of result obtained as in *table 1.4*.

A) Effect of gender on factors: It is clear from table 1.4 that the null hypothesis H_0 (1) is

partially rejected as the results disclosed that there is a significant difference between the views of males and females on two factors i.e. enticing schemes and self esteem . It is evident from the descriptive analysis that females have assigned more concern towards enticing schemes. This may be because females have always been active bargain hunters. On the other side, males consider fashion apparels to boost their self-esteem. This may be because of the social demands and high peer pressure. Thus the perception of males and females show a discrepancy to a large extent regarding their attitude towards foreign apparel brands.

B) Effect of age on factors The Null hypothesis H_0 (2) is clearly rejected based on the results summarized in table 1.4 which indicates that age has a significant effect on attitude towards foreign apparel brands and hence is significantly linked to enticing schemes, endorsement influences, brand quality, self-esteem and appealing factor. Respondents in the age group of 31-60 have been found to be leaning toward enticing schemes and brand quality while the one in the age group of 21-30 have been found to be more towards endorsement influences, self-esteem and appealing factors. Respondents in the higher age groups have family life cycle which constantly puts pressure to create a right kind of lifestyle, which fulfills all their personal and social needs. Hence, there is a continuous pressure on them to get value for money and at the same time create a self in the society which is somewhat noticing. From here, emerges an attitude towards fetching good bargains and also great quality which foreign apparel brands are able to satisfy.

C) Effect of marital status on factors: The table 1.4 clearly states that null hypothesis H_0 (3) is clearly rejected as marital status is significantly related to the factors relating to enticing schemes and brand quality. Married people are more conscious towards enticing schemes and brand quality because of the reason that they have more responsibility towards their future and family and are hence more focused on getting value for money.

D) Effect of occupation on factors: The result of one way ANOVA (table 1.4) reveals that the null hypothesis is partially rejected as



occupation has a considerable impact regarding perception of the respondents on their behavior towards foreign apparel brands. It is clearly observed from the table that three factors: brand quality, self-esteem and appealing factor have significant relationships with different types of occupation.

The descriptive analysis confirmed that the respondents having business and professional have higher agreement for factor called self-esteem. This may be accrued to the reason that higher disposable income on the part of the business and professional people creates a circle amongst socially upscaled masses. These respondents are bothered more about their social circle and the brand, they buy need to contribute to the upliftment of their self-esteem. The respondents falling in the category of service sector and others (which included students, retired personnel and housewives) relate themselves more to brand quality as they want value for money at any point of time.

CONCLUSION

This study is an effort to analyse the individuals' behavior regarding buying of foreign apparel brands and also the influence of demographic variables on the derived factors. This study uses analytical tools like factor analysis and one way

ANOVA to accomplish the purpose of study. The results achieved through factor analysis explain that the twenty six statements used to measure the buyer behavior were reduced to six factors i.e. enticing schemes, endorsement influence, brand quality, opinion leader, self-esteem and appealing factor. The general disclosure about the buying behavior enlightens that people actually consider these factors before buying any foreign apparel brand. Further, the results by one way ANOVA discloses that gender, age, marital status and occupation of the respondents have a significant impact on the factors influencing buying of brands. Companies can plan their marketing strategies around these factors. Enticing schemes, brand qualities and self-esteem was found to be significant for three demographic factors on four. On the other hand, appealing factor is significant for two demographic factors while endorsement influence is significant only for one demographic factor.

Thus, the study highlights the factors which need to be emphasized concerning the buying behavior towards foreign apparels. The study faces the limitation of being conducted only one the sample from Delhi & NCR. The future scope can be taking the study further on larger sample across geography, classifying as rural and/ or urban. Even a comparative study can be undertaken between Indian brands and foreign brands.

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Table 1.1: KMO And Bartlett's Test

Kaiser-Meyer-Olkin Measure of sampling adequacy		0.760
Bartlett's Test of Sphericity	Approx. Chi-Square df Sig.	1226.726 235 0.000

Table 1.2: Reliability Statistics

Cronbach's Alpha	0.786
No of items	23

Table 1.3: Factor Names And Their Loadings

Sr No	Name of the factor	Statements	Factor Loadings	Cronbach alpha	Eigen Values	% of variance
1	Enticing Schemes	A25. I buy foreign apparels because of rush at the store	0.882	0.678	3.214	14.229
		A26. I buy foreign apparels because of ambience of the store	0.855			
		A2. I buy foreign apparels because of their good discounts	0.838			
		A1. I buy foreign apparels because they are within my purchasing power	0.742			
		A4 I buy foreign apparels because of offer at the time of purchase	0.608			
2	Endorsement Influence	A7 I buy foreign apparels because they are renowned brands	0.957	0.670	2.126	9.675
		A13 I buy foreign apparels because I'm influenced from the model	0.807			
		A3 I buy foreign apparels because economical pricing	0.710			
		A21 .I buy foreign apparels because of better stitch	0.705			
		A11 I buy foreign apparels because of their attractive advertisements	0.691			
		A12 I buy foreign apparels because I'm influenced from the celebrity	0.590			
3	Brand Quality	A18 I buy foreign apparels because fit of the cloth is better	0.936	0.820	1.963	8.156
		A16 I buy foreign apparels because they are better designed	0.933			
		A17 I buy foreign apparels because all the sizes are available	0.826			
		A20 I buy foreign apparels because of better color schemes	0.749			
4	Opinion leaders	A14 I buy foreign apparels because I'm influenced from sports person	0.788	0.856	1.658	7.510
		A23 I buy foreign apparels because of sales men influence	0.584			
5	Self Esteem	A9 I buy foreign apparels because my brand is known to everybody	0.880	0.568	1.490	6.789
		A6 Price is not an important factor for me for buying foreign apparels	0.739			
6	Appealing Factor	A8 I buy foreign apparels because it boosts my self esteem	0.837	0.775	1.156	4.996
		A19 I buy foreign apparels because of better texture of cloth	0.667			
		A26 I buy foreign apparels because of music being played at the store	0.581			

Table 1.4: Summary: Anova Results

Demographic variable	Factor	Gender	Age	Marital Status	Occupation
Enticing schemes		"	"	"	×
Endorsement Influence		×	"	×	×
Brand Quality		×	"	"	"
Opinion Leader		×	×	×	×
Self Esteem		"	"	×	"
Appealing Factor		×	"	×	"

Determinants of Financial Inclusion in Pondicherry Region: Evidential Support from Micro-level Indicators

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ABSTRACT

An inclusive financial system is one of the important measures for economic development of the countries and it allows broad access to and use of appropriate financial services to every individual without any discrimination. These includes opening bank account, making and receiving payments, savings, money transfer facility, credit, and insurance products. Many researchers in India and globally have investigated different indicators of financial inclusion mainly considering formal bank account, formal savings and formal credit. This study primarily focused on determinants of various indicators of financial inclusion on demand-side perspective. The study was conducted with sample of 200 respondents in Pondicherry Region belonging to various groups. This study found that there were five factors to determine the financial inclusion extent in Pondicherry Region namely purpose of opening bank account, frequency of usage, ease of using banking products, convenience, and physical accessibility of bank branch are highly associated with the financial inclusion in Pondicherry Region.

Keywords: Opening Bank Account; Savings; Money Transfer Facility; insurance Products; Frequency of Usage; Physical Accessibility; Financial Inclusion

INTRODUCTION

Financial inclusion is defined as delivering of basic banking services (savings, loans, payments, remittance facilities and insurance, etc.) at an affordable cost to the vast sections of disadvantaged and low income groups. It is essential that availability of these basic financial services to the entire population without discrimination is the prime objective of the public policy. (Leeladhar, 2005a and Rangarajan, 2008). Hence a well functioning financial system need to facilitate a wide range of appropriate financial services namely formal savings, affordable credit, payment and insurance products to vulnerable groups such as low income groups and weaker sections. It leads to increase incomes, acquire capital, risk management products and alleviation of poverty (Rangarajan, 2008; Demirguc-Kunt and Klapper, 2013).

The financial inclusion has emerged as an

important topic on the global agenda for sustainable long-term economic growth and growing interest for researchers, policy makers, financial institutions and governments in developing countries (Beck and Torre, 2006; Allen et al, 2012; Camara and Tuesta, 2014 and Amidzic et al, 2014). Internationally also the efforts are being made for enhance access to wide range of financial services. The World Bank already declared objective of achieving universal access by 2020 is another example of financial inclusion has been accepted as fundamental for process of economic growth. In India, recently the Government of India (GOI) has stated 'Pradhan Mantri Jan Dhan-Yojana (PMDJY) a national level financial inclusion programme with an objective of every household having a bank account in formal financial institution.

In India the focus of the financial inclusion at present is restricted to ensuring certain measures

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for undertaking to provide minimum access to a savings bank account with no-frills. But having only ownership of bank account is not considered as exact indicator of financial inclusion other factors are also should be considered to accomplish financial inclusion. There could be other multiple levels of financial inclusion indicators are also shown to build financial inclusion completely (Leeladhar, 2005b).

On the other hand there is a quite opposite of financial inclusion is financial exclusion. The nature of certain causes must be addressed which create financial exclusion imperative. (Kempson and Whyley, 1998 & Bhanot et al, 2012) examined the extreme where people face barriers to accessibility and usage of banking services.

- Self-exclusion/Voluntary exclusion : people face barriers that encourage self-exclusion
- Price of financial products exclusion: based on unaffordable cost or premium, which means high cost of insurance policies and high cost of credit.
- Condition exclusion: households are deterred by the conditions attached to financial products-which have restricted usefulness. These include being offered insurance policies which contains certain exclusions and bank account where certain amount of minimum balance has to be maintained.
- Marketing of financial products exclusion: households with no financial products have had no sales approaches
- Psychological barrier: lack of financial services, the feeling that financial services are not for households on very low incomes was similarly very widespread.

Likewise, lack of awareness, low income, poverty and illiteracy are the factors that lead to low demand for banking services and consequently main reasons to financial exclusion (Chattopadhyay, 2011, and Crisil Inclusix, 2015).

However, much financial exclusion consists of a complicated set of adjacent obstacles and, therefore, the policy makers and financial institutions have to be taken successful financial inclusion initiatives must be addressed for cut-down those barriers and universalisation of financial services.

REVIEW OF LITERATURE

In Indian context some of the studies focused on construction of The Index of Financial Inclusion (IFI) by considering macro level indicators for determinants of financial inclusion. (Sharma, 2008) attempted to study on “index of financial inclusion” and considered three basic dimensions of Index of financial inclusion for an inclusive financial system. First bank penetration (indicated by people having number of bank accounts), second availability of banking services and (indicated by the number of bank employees per customer) and usage of banking system (indicated by volume of credit and deposit proportion).

Gupte et al., (2012) in their study on “Computation of financial inclusion index for India” as a geometric mean of four different dimensions. First dimension is the outreach dimension (measured by Branch penetration, ATM penetration, and number of accounts). Second dimension is the usage dimension (indicated by the volume of Deposits and loans as a percentage of GDP). Third dimension is the ease of transactions (measured by the number of locations to open Deposit or loan accounts and affordability of deposit or loan accounts) and fourth dimension is the cost of transactions dimension (indicated by annual fees charged to customers for ATM usage or cost of money transfer and other remittances are involved).

Arora (2012) studied on “measuring financial access” has considered three variables. First physical access or outreach dimension (Measured by Branch penetration and ATM penetration), second ease of transaction dimension (measured by location to open bank account, the number of documents required to open bank account) and third cost of transaction dimension (measured by bank charges to customer for access banking services).

Other study Kumar (2013) examined the status of financial inclusion and provides the evidence of its determinants. It had recongnised that branch net penetration is the important dimension which impact on financial inclusion. Proportion of factories and employee base factors are important key determinants of penetration financial inclusion index. It was found that the significant of a region’s socio-economic and environmental association in shaping banking practices of masses in India. It has been also identified that expanding branch

net work is influencing considerable on financial inclusion.

There are few studies that investigated the financial inclusion indicators at international level. Demircuc-Kunt and Klapper (2013) examined the global financial inclusion and identified a new set of indicators that measure how adults use financial services in 148 countries. They identified a set of indicators which focus on ownership of formal account, savings behaviour, borrowings and use of credit cards. The findings reveal that there are significant differences across regions, income groups and individual characteristics.

Similarly, Allen et al (2012) studied the individual and country characteristics that are connected with the ownership and use of formal accounts in 123 countries. It was found that greater financial inclusion is associated with lower banking costs, greater proximity to branches and fewer documentation requirements to open an account.

Research by Fungacova and Weill (2015) examined the financial inclusion in China based on Global Findex data base during 2011. A comparative study of China with the other BRICS nations (Brazil, Russia, India and South Africa) revealed that high level of financial inclusion in China is indicated by greater use of formal account and formal savings in comparison to Brazil, Russia and India. Additionally, certain other factors like higher income, better education and gender influence are associated with greater use of formal accounts and formal credit in China.

In the context of India, Bhanot et al (2012) identified that level of financial inclusion is also influenced by income, financial information, distance to financial institutions, awareness about services and education. Beck et al (2007) examined the access to and use of banking services across various countries. It was found that banking sector outreach is a main indicator, to decide specially to measure the banking services accessibility and usage of deposit money and lending financial services.

Prior research studies on the status of financial inclusion in Indian states were confined to very few states. Among the prominent studies in Indian context, Bhanot et al, 2012 reported the status of financial inclusion in two north-eastern states (Assam and Meghalaya) in India. Arora and Meenu (2012) investigated the impact of microfinance as a tool for financial inclusion in the state of Punjab.

However, earlier research work has not focused on micro level indicators to measure the determinants of financial inclusion in Pondicherry region. The main objective of this study is to fill this gap by examining some of the micro level indicators which influence financial inclusion in Pondicherry region

DETERMINANTS OF FINANCIAL INCLUSION

Determinants of financial inclusion were examined through various indicators by earlier researchers is shown following Table 1 gives an account of various variables that have been used to explore the determinants of financial inclusion. It is shown in Table.1 in annexure.

DATA SOURCE AND RESEARCH METHODOLOGY

Sampling and Data collection

The data for this research is based on individual level survey which has been collected through structured questionnaire from individuals with respect to the usage of and access to banking services with a sample of 200 people based on convenience sampling method in Pondicherry region. In this survey the gender distribution of the selected respondents is 59.0 per cent males and 41.0 per cent females. The socio-demographic profile of the respondents is shown in Table.2 in Annexure.

Variable Measurement

A structured questionnaire was designed to collect data and measure the financial inclusion by considering micro level indicators with the help of multiple item measures using a 5-point Likert scale with Strongly Disagree representing (1) and Strongly Agree representing (5). A total of 14 items were developed to capture five factors. Each item was measured by the five-point Likert scale. 1= strongly disagree, 2= disagree, 3= neutral, 4=agree and 5= strongly agree. Finally five factors are used to measure the financial inclusion at micro level.

Results of factor analysis and scale reliability

Factor analysis represents a set of observed variables X_1, X_2, \dots, X_n in terms of a number of



'common' factors plus a factor which is unique to each variable. These underlying dimensions are known as factors. By reducing data set from a group of interrelated variables to a smallest set of factors, factor analysis achieves parsimony by explaining the maximum amount of common variance in a correlation matrix using the smallest number of explanatory constructs. Factor loading is considered to be very significant if there are > 0.50 (Hair et al., 2010). In this study items which are loaded under each factor all items are > 0.50 and hence were accepted. It is generally accepted that each item value of 0.7 to 0.8 is an acceptable value for Cronbach's Alpha to test reliability. Values lower than 0.5 indicate an unreliable scale. Kline (1999) noted that although the generally accepted value of 0.8 is appropriate for cognitive tests such as intelligence tests, for ability tests a cut-off point of 0.7 is more suitable. In this study the scale value is 0.778 which exceeds that acceptance level.

Appropriateness of factor analysis is tested using two important measures. The first measure is Kaiser-Meyer-Olkin (KMO) measure which gives the overall sampling adequacy (Kaiser, 1970). The KMO can be calculated for individual and multiple variables and represents the ratio of the squared correlation between variable to the squared partial correlation between variables. The KMO statistic varies between 0 and 1. Kaiser (1974) recommends accepting values greater than 0.5 as barely acceptable. In this study the scales are within the acceptable range i.e 0.691 this value falls within the acceptable limit and the composite reliability of all latent constructs exceed the proposed value of 0.5. This implies that the measurement is good. The other measurement is Bartlett's test of sphericity and its value was 771.155 and at 1 per cent level of significance as $p < 0.001$. This measure indicates that a highly significant correlation among the items of the constructs in the survey.

In analysis part, two items were removed since the extracted value of 0.430 and 0.456 which are below the minimum accepted value i.e 0.5 so those two items are removed in the final analysis. All other extraction values in the communities range 0.797 to 0.555 these values were greater than the minimum accepted value i.e 0.5 were considered in final analysis. But after Varmix rotation all the fourteen items grouped in to 5 factors which all together gave 66.404 of total variance loading. These factors were named as

purpose of opening bank account, frequency of usage, convenience, ease of using banking products and Physical accessibility of bank branch each initial eigenvalues are 26.71%, 11.93%, 10.37 %, 9.59% and 7.78 % respectively. Output of ANNOVA is shown in Table.3, 4 and Table.6.

DATA ANALYSIS AND INTERPRETATION

The five factors emerged strongly when the 14 items were grouped. These factors were named as purpose of opening bank account, frequency of usage, convenience, ease of using banking products and physical accessibility of bank branch these indicators are considered for measuring financial inclusion at micro level.

The first factor namely purpose of opening bank account (% of Variance= 17.576) emerged strongly from the four items namely holding bank account avail me to enjoy lot of government benefits (Item Load= 0.849), holding Bank account is useful for saving purpose (Item Load= 0.830), holding bank account is helpful to safeguard my money (Item Load=0.622) and bank account facility helps in availing bank loan (Item Load=0.571). In the process of financial inclusion having a bank account serves as an entry point into the formal financial sector. It makes easy to transfer money, wages, remittances and government payments and receipts and also encourage saving money and access to bank credit. (Demirguc-Kunt and Klapper, 2012).

The Second factor frequency of usage (% of Variance=14.630) emerged strongly from the three items namely visiting bank branch is very frequently for withdrawal my money (Item Load=0.797), Visiting bank branch is very frequently for saving my money (Item Load= 0.743) and frequently withdraw money from ATMs (Item Load=0.677) Ownership of bank account is one side coin of determine the financial inclusion. The other side is to know the "usage" which is the frequency of account use.

The third factor convenience (% of Variance = 12.624) emerged strongly from the three items namely opening bank account is easy very easy (Item Load=0.836), bank working hours are very convenient to access (Item Load=0.779) and the physical distance of AMTs is very comfortable (Item Load=0.503). Easily available of banking services are essential to all potential user which

is measure by the number of access point, such as banks branches and convenient to use ATM's in a given area (Rahman,2013)

The fourth factor ease of using banking products (% of Variance=11.291) emerged strongly from the three items namely availing education loan through banks with low interest (Item Load=0.736), getting bank loan against property document is very easy (Item Load=0.688) and availing government insurance schemes through banks is very easy (Item Load=0.608)

The last factor was physical accessibility of bank branch. There was evidence that distance from nearest bank branch is significantly influencing on accessing financial services (Topoworski, 1987). The people residents where belonging to remote and hilly areas are more probable to be financially excluded (Kempson & Whyley, 1998). Another study on financial inclusion in north-east India reveals that financial services through post office emerges to be far significant than distance form bank. With increasing distance from post office and bank branch the chances of inclusion also decline (Bhanot et al, 2012). The (% of variance=10.283) consisted of one item location of bank branch is very near to my residence for accessibility (Item Load= 0.756).

CONCLUSION

Financial inclusion is essential for economic development, alleviation of poverty and

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sustainable long-term economic growth. Most of the previous study identified having an account at formal financial institutions serves as an entry point into to access basic banking services. In India the focus of the financial inclusion is limited to ensuring a minimum saving bank account without frills. But having a bank account is not recognised as an accurate indicator of financial inclusion.

There could be multiple levels of financial inclusion other than having a bank account, in which the people actively participate in accessibility and usage of wide range of banking services. Several studies investigated on financial inclusion as measured by the proportion of individuals having formal bank account, formal savings and formal credit. This study found five important factors which are greatly impact on extent of financial inclusion from demand-side perspective namely, purpose of opening bank account, frequency of usage, convenience, ease of using banking products and Physical accessibility of bank branch.

As part of financial inclusion ownership of bank account is not single of the indicators to measure the financial inclusion. But, there must be actively participation in regular banking activities in respect of saving and withdrawals. Hence, accessibility and usage of banking services are important determinants of financial inclusion. So, the scope of financial inclusion will be covered hundred per cent when account holder should actively participate in regular banking activities.



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ANNEXURE

Table1. Various variables used in determinants of financial inclusion by various researchers

S.No.	Author(s)	Variables used
1.	Sarma (2008)	1) Bank Penetration, 2) Availability of Banking Services and 3) Usage of Banking System
2.	Gupte et al., (2012)	1) The Outreach Dimension 2) The usage Dimension 3) The Ease of Transactions Dimension and 4) The Cost of transactions Dimension
3.	Arora (2012)	1) Outreach Dimension 2) Ease of Transaction Dimension and 3) Cost of transaction Dimension
4.	Rahman (2013)	1) Convenient accessibility 2) Take-up rate of financial products 3) Responsible usage and 4) Satisfaction level
5.	Yorulmaz (2013)	1) Banking penetration 2) Availability of Banking Services and 3) Usage of Banking System
6.	Crisil Inclusix (2014)	1) Branch penetration 2) Credit penetration 3) Deposit penetration
7.	Demirguc-Kunt and Klapper (2012)	1) The mechanics of the use of formal accounts 2) Focuses on savings behaviour 3) Focuses on sources of borrowings and 4) focuses on use of insurance products

8. Amidzic et al, (2014) 1) The outreach dimension,
2) The usage dimension
3) The quality dimension and
4) The cost of usage dimension

Source: compiled by Authors'

Table 2: Demographic Characteristics of the Respondents

Demographic Variables	Characteristics	Percentage
Gender	Male	59.0
	Female	41.0
Age	18-25 Yrs	46.5
	26-35 Yrs	28.5
	36-45 Yrs	18.5
	46-55 Yrs	5.5
	Above 55 Yrs	1.0
Income group	<INR 10,000	49.5
	Between INR 10001 and 30,000	28.0
	Between INR 30,001 and INR 50,000	13.0
	Between INR 50,000 and 100,000	7.0
	>INR100,000	2.5
Educational Qualification	No formal education	5.5
	10+/Diploma	16.5
	Bachelor's Degree	37.5
	Master's Degree	40.0
	Others	1.0
Occupation	Student	34.5
	Self-employed	18.0
	Employed	41.5
	Unemployed	2.5
	Others	3.5

Source: Primary data

Table 3: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.691
Bartlett's Test of Sphericity	Approx. Chi-Square	771.155
	Df	91
	Sig.	.000

Table 4: The statements identified and a communalities test is run on these statements

Items	Initial	Extraction
Location of bank branch is very near to my residence for accessibility	1.000	0.651
Opening bank account is easy very easy	1.000	0.754
Bank account facility helps in availing bank loan	1.000	0.725
Holding Bank account is useful for saving purpose	1.000	0.712
Holding bank account avail me to enjoy lot of government benefits	1.000	0.797
Holding bank account is helpful to safeguard my money	1.000	0.512
The bank working hours are very convenient to access	1.000	0.657
Getting loan against property document is very easy	1.000	0.555
Comfortable to use ATM's for withdrawing cash 24/7 everywhere	1.000	0.751
Availing education loan through banks with low interest	1.000	0.548
Availing government insurance schemes through banks is very easy	1.000	0.627
Visiting bank branch is very frequently for saving my money	1.000	0.731
Visiting bank branch is very frequently for saving my money	1.000	0.699
The physical distance of AMTs is very comfortable	1.000	0.579

Note: Extraction Method: Principal Component Analysis.

Table 5: Total Variance Explained by different items

No	Initial Eigenvalues			Extraction of Squared Loading			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.740	26.715	26.715	3.740	26.715	26.715	2.461	17.576	17.576
2	1.670	11.932	38.647	1.670	11.932	38.647	2.048	14.630	32.206
3	1.452	10.373	49.019	1.452	10.373	49.019	1.767	12.624	44.830
4	1.344	9.598	58.617	1.344	9.598	58.617	1.581	11.291	56.121
5	1.090	7.786	66.404	1.090	7.786	66.404	1.440	10.283	66.404
6	.874	6.244	72.647						
7	.748	5.339	77.987						
8	.728	5.197	83.184						
9	.588	4.197	87.380						
10	.460	3.287	90.668						
11	.423	3.019	93.687						
12	.376	2.688	96.375						
13	.266	1.899	98.274						
14	.242	1.726	100.000						

Note: Extraction Method: Principal Component Analysis.

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