

“TEARS MODEL”: A COMPANY SHOULD USE FOR CELEBRITY ENDORSEMENT**Dr. Amishi Arora¹ Khushbu Sahu²****ABSTRACT**

Celebrity endorsement is a popular advertising method, which increases the continuous interest of both customers and companies. The questions like “why to select right celebrity and “how to select the right celebrity” for the celebrity endorsement” are very important to be answered. This paper tries to find the models of selecting celebrity endorsement by literature, research work and examples. As the results of these efforts, the conceptual TEARS model for selection of celebrity endorsers is presented. In this paper researcher tried to put some examples and tried to apply it in the model. Researcher has taken Shahrukh Khan as a celebrity and analyzed his endorsed product to implement it in TEARS models.

KEYWORDS

Celebrity Endorsement, Advertising, TEARS Model, Endorsement etc.

INTRODUCTION

“A brand for a company is like a reputation for a person. You earn reputation by trying to do hard things well.”

Jeff Bezos

Though celebrity endorsement represents some risks, it is a largely used method to get in touch with competitive advantage by companies. Today, companies are spending millions of investment each year for the endorsement of their products/services by celebrities. It is always a great challenge for marketers to find out the meaning and reason because of which consumers associate with the brand. In order to select the right celebrity and to build the right brand the companies should take care of many aspects. Now companies are using celebrities for target customer segments to increase the appeal of their offerings.

In India, it is not hard to find reasons for the rise in the use of celebrities in advertisements, as Indians have a big craze of celebrities whether they are Bollywood stars, any TV stars or any sports persons. People of India worship them like god. Today, celebrity endorsement is being seen as more and more essential part in an integrated marketing communication strategy. Every marketer wants to use it. However, there is also a great risk behind the use of the celebrities. The celebrity should match with personality of the products, personality of target market and with the society.

The company makes use of the celebrity's characteristics and qualities to establish an analogy with the products specialties with an aim to position them in the minds of the target consumers. Celebrity endorsement, thus, is one of the powerful tools adopted by companies/marketers to consolidate their brands in the crowded marketplace. Consumers prefer to own a brand that has a good reputation, and when someone like a famous film star or a sport star is associated with that particular brand, it is obvious that the consumers will get attracted to it, because the consumer wants to maintain some status, and feels that using a brand promoted by a star can satisfy that longing.

CELEBRITY

Celebrities are people who enjoy public recognition by a large share of a certain group of people who possess attributes like attractiveness, extraordinary lifestyle and enjoy a high degree of public awareness. Celebrities appear in public in different ways. A celebrity who represents a brand or company over an extended period often in print and TV ads as well as in personal appearances is usually called a company's spokesperson. The reason for using celebrities as spokesperson is their huge potential to influence audience. Compared to other endorser types, famous people achieve a higher degree of attention and recall. They increase awareness of a company's advertising, create positive feelings towards brands and are perceived by consumers as more entertaining. Using a celebrity in advertising is therefore likely to positively affect consumer's brand attitude and purchase intentions.

CELEBRITY ENDORSEMENT

Celebrity endorsement is the type of advertisement, which uses an expert, famous person or celebrity to endorse the product or services. It is also defined as the individual who enjoys public recognition and who uses this recognition to promote the product and service of the companies by appearing in advertisement. A brand ambassador plays very essential role in the market. Brand Ambassadors are the face and fingers of the brand.

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Brand Ambassadors form the image of brands and use to deliver their message to the public. Celebrity endorsement gives a brand a touch of glamour, added appeal and name recognition among audience. Celebrity endorsement helps in increasing the recall value of the brand and gives support for decision-making process of customers. Customers have faith on celebrities like film stars, singers, political personalities, sportspersons and TV actors.

SELECTING RIGHT CELEBRITY

The marketers should keep in mind that the personality of the celebrity endorser matches with the theme of the marketing campaign and the product. If there is a mismatch between the personality of celebrity endorser and theme of the campaign then it will not give the desired result. In order to have a strong impact on consumer, marketers use different strategies to attract the customers and to retain their interest on them.

It is observed by different researches that customers have faith on celebrities like film stars, singers, political personalities, and sportspersons and TV actors. The main reasons behind this are trustworthiness, image, credibility, charm, charisma and experience. So when these people appear in marketing campaigns or events they get noticed by large number of audience, which helps in creating positive attitude and credibility towards the products and services. Selecting right celebrity would help in the following ways:

- Right celebrity is helpful in increasing the attention of huge amount of audiences.
- Helpful in creating and polishing the image of companies.
- They can be used in introducing any brand to grab the attention of the customers towards new product.
- Able to increase the loyalty and credibility of consumers towards the brand.
- Celebrities are helpful in creating buzz.
- Helpful in increasing brand awareness.

MODELS FOR SELECTING CELEBRITY

At the time of selecting a celebrity as endorser, the company has to make a decision of the promotional objective of the brand and how far the celebrity's image matches with it. The choice is based on the fact of an association from which both the company and the celebrity gain. Following are the models of celebrity endorsement. Each of these models represents some basic attributes, a foundation for celebrity endorser selection.

Table-1: Models for Selection of Celebrity Endorser

| S.No. | Models | Author |
|-------|---------------------------------|---|
| 1 | The TEARS model | Shimp (2003) |
| 2 | The No TEARS model | Shimp (2003) |
| 3 | The FREDD Principle | Miciak & Shanklin (1994), Ericsson & Hakansson (2005), |
| 4 | Q – Ratings | Ericsson & Hakansson (2005), Shimp (2007), Belch & Belch (2001) |
| 5 | The Source Credibility Model | Ohanian (1991), Johansson & Sparredal (2002) |
| 6 | The Source Attractiveness Model | Tellis (1998), Johansson & Sparredal (2002) |

Sources: Authors Compilation

THE TEARS MODEL

Shimp in 2003 wrote that there are two universal attributes, which play important roles in making easy and effective communications, and they are credibility and attractiveness. These attributes are also important for deciding how effective an endorser can be. "Shimp (2003) states that, *the first general attribute credibility refer to is the tendency to believe or trust someone.*" When an endorser is noticeable as credible, the attitude of the consumer appears to change through a psychological process called internalization. When the receiver believes the endorser's view on an issue as his or her own, the process takes place. According to Shimp, Trustworthiness and Expertise are the two important sub attributes of the endorser credibility. The following are attributes of the TEARS model:

- **Trustworthiness:** Trustworthiness reflects the degree to which the consumers trust and believe in celebrities' words regarding the advertised brand.
- **Expertise:** It is the knowledge and experience of an endorser about the advertised brand.
- **Attractiveness:** A characteristic makes an endorser appealing to the targeted consumers.
- **Respect:** Respect is a quality of appreciation or esteem due to the endorser's general deeds.
- **Similarity:** It refers to the quality to which an endorser matches the target audience on same characteristics related to the endorsement relationship such as gender, age etc.

OBJECTIVE OF RESEARCH

The main objective of the research is to understand the important factors of celebrity endorsement by the use of TEARS model. The main aim of the research paper is to answer about what is TEARS model. Why it is used? when it is used?,

RESEARCH METHODOLOGY

The study is based on secondary data sources like books, journals, magazines, and websites.

ABOUT SHAHRUKH KHAN

In 2013, Shahrukh Khan (SRK) has topped the inaugural Forbes India Celebrity 100 list, a ranking of India's biggest entertainers based on their income and popularity. Forbes India's special edition decodes what lies behind the success of India's biggest creative entrepreneurs across eight categories: Film actors, directors, sport stars, TV personalities, singers/musicians, authors, models and comedians. Shahrukh Khan came out top courtesy his earning power, mainly riding on massive income from brand endorsements. By Forbes India estimates, SRK earned Rs 202.8 crore, in the period between October 2011 and September 2012. Unique Characteristics of Shahrukh Khan are:

- A Family Man,
- Great Friend,
- Attitude When Needed,
- Versatile & Successful Actor,
- Brand Image,
- Overseas Popularity.

Table-2: Analysis - Factors of TEARS Models

| S. No. | Brand | Trustworthiness | Expertise | Attractiveness | Respect | Similarity | Impact |
|--------|---------|---|---|--|---|--|---|
| 1 | Pepsi | SRK is able to get the credibility of the customers | Having good knowledge and experience of endorsement. | As Pepsi represents youth he was unable to attract the customers for longer period. | He is having good self-esteem in the society | SRK was unable to match up with the target audience. | Dropped by the company in 2009 and Ranbir Kapoor was selected as a brand ambassador. |
| 2 | Dish TV | SRK is able to get the credibility of the customers | Having good knowledge and experience of endorsement. | SRK was able to make people aware about the DTH technology and its benefits by attracting them through commercials | He is having good self-esteem in the society and We are very proud to have Shah Rukh Khan as our brand ambassador said Salil Kapoor (COO Dish TV) | SRK is able to personify style, entertainment and popularity and these values resonate perfectly with the brand attributes | Dish TV has extended its endorsement contract with Shah Rukh Khan for another 18 months. |
| 3 | Airtel | SRK had created good image of Cellular service by playing multi-cultural avatars in the campaign. | Having good knowledge and experience of endorsement. | He was able to attract customers | Because of Mumbai cricket stadium controversy, Shah Rukh Khan's brand is losing sheen | SRK is having a Personality which is in-line with the current generations who have to be extremely watchful | Airtel did not renew its contract with SRK, |
| 4 | Emami | He is popular in metropolitan cities but also a known face in the remote, rural villages of the country and everyone has faith on him | He has endorsed hundreds of products and has been the most desired ambassador of India. | In spite of SRK's personality, he is a common face all over India, from Kashmir to Kanyakumari so he is able to grab the attention of customers. | Company feels that all controversies are minor issues and do not have an impact on Shah Rukh's brand image or appeal | He mesmerized by his charming personality and he is having the ability to keep audiences in front of TV | Company is having no plans of dropping SRK and he will continue with the position of brand ambassador |

Sources: Authors Compilation

EFFECT OF CONTROVERSY ON SRK AS A BRAND

The world of celebrities is full of difficulties and any controversy has a great impact on the image of celebrities. The leading Bollywood superstar with a few unsuccessful releases, a nightclub brawl and now a scuffle with officials at a Mumbai cricket stadium, Shahrukh Khan's brand is losing shine. In the last few years, the actor has not signed any big brand endorsement deals, even though he still has more than a dozen brands to endorse. Expertise of the endorsement industry says that SRK's image has suffered in the last couple of years, not only because of controversies that have surrounded him but also because he is a mature celebrity. Controversy is not good for brand endorsers and generally, marketers do not like to work with those celebrities. Moreover, the controversies that have courted SRK in the recent past, more big concern is his ageing, which is not a good sign for the various brands, which are looking for a youth connect.

RESULT

The demand of Brand Ambassador is increasing because they get media exposure because of which huge audience notices them. The credibility, effectiveness and popularity of the celebrity helps the marketers to get noticed their products. Ads with celebrity has more recalling capacity but marketer should not depend on only one strategy, they should use other strategies like sales promotions and pricing strategy to attract the customer. Marketers should also target the brand switcher to retain them for their product. Correct Celebrity for the brand affects the buying decision of the customers. Before hiring any celebrity it is very important to match the personality of celebrity with brand personality, a selector must use theories like Match-up theory, Tears models and Meaning transfer model to select any celebrity for the brand. Credibility or trustworthiness of the celebrities appeared to be of utmost importance for influencing customer purchase decision

CONCLUSION

Right from noodles to cosmetics to telecom and beverages, Indian celebrities are always wanted when it comes to brand endorsements. Advertisers and marketers have shown their faith in film stars for endorsing their brands. Shahrukh Khan is in number one position in the list of top ten celebrity endorsers in 2011 based on the annual analysis done by TAM AdEx research. Now-a-days endorsement is not only in the revenue portfolio of the stars but it is also making a significant contribution to their revenue. It is a method by which more and more celebs are being used for commercials to place the brand in the top of the viewer's mind and be paid by companies to be noticed so that they achieve higher brand recall. In the method of celebrity endorsement celebs are targeting the consumer as the stars easily convince them.

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CSR IN SCHOOL BASED MANAGEMENT (SBM)

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ABSTRACT

Corporate Social Responsibility (CSR) has attracted increasing Fashionable recently. CSR refers to corporations voluntarily assuming the responsibilities for the impacts of all aspects of their business activities overall society and the Environment. The corporations, through CSR, try to help the society through development Projects towards betterment of the standard of life. School-based management (SBM) is a strategy to improve education by transferring significant decision-making authority from State and district offices to individual schools.

SBM provides principals, teachers, students, and parents greater control over the education process by giving them responsibility for decisions about the budget, personnel, and the curriculum. Through the involvement of teachers, parents, and other community members in these key decisions, SBM can create more effective learning environments for children. School districts and the schools within them should involve stakeholders at all levels in forming the vision, and then in giving it substance at the local level. Superintendents and principals will play a key role in making this happen.

In other words, school-based management is not only value added but also value created in the new millennium. It is hoped that new school-based management can support each student to become a contextualized multiple intelligence citizen who will be engaged in lifelong learning and will creatively contribute to building up a multiple intelligence society and a multiple intelligence global village. The various schemes of SBM also discussed in this paper. This article points out that the new school-based management should aim not only to improve internal school process but also to create new educational goals and enhance the relevance of education to the future through triplication.

KEYWORDS

CSR, School Based Management, Students, State and District Offices, Society, Management etc.

INTRODUCTION

Since the introduction of School Based Management (SBM) in 1997, there have been three reviews, covering the effectiveness of SBM up to 1999, school funding trends between 1996 and 1998, and the roles and responsibilities of principals in school resource management undertaken in 2002. These reviews pointed to the need for improved financial and operational planning; improved financial reporting and accountability measures such as performance indicators; and greater emphasis on training and support, especially for new principals and those taking up new appointments. SBM increased the opportunities for greater local community involvement to a significant extent. What was clear was that the principals' approach to SBM determined, to a considerable extent, the extent of involvement of both the community and teachers in school based decision-making. The nature and duration of appointments to school boards, as well as the limited availability of parents, may also influence the level of community involvement.

The transition to SBM entails large-scale change in educational organizations. Successful decentralization requires that systems and processes be redesigned so that power, knowledge, and information accrue at the operating levels of the school, and so that rewards are contingent on performance and contribution. New recruitment practices are needed to attract people who will thrive on the challenge of working in a decentralized setting; development practices must be altered and greatly supplemented to ensure that participants have needed competencies. The transformation eventually involves all organizational components, including strategy, structure, technology, processes, rewards and other human resources systems. All of these components need to fit with the new way of managing and with each other. Large-scale change is threatening to the people involved, because it entails new roles and responsibilities and because it challenges traditional assumptions and values. The change process has to be carefully managed. Large-scale change such as a transition to SBM is such a disruption of the status quo of an organization that it will not be successful unless a compelling case is made for it. Districts embarking on SBM should be very clear about the need for change and the ultimate purpose of the change process.

In the private sector, need is clearly established by the market place--by the changes that are required to successfully compete and to meet the demands of customers. School districts will have to make a case for the need for change based on gaps in the schools' abilities to meet demands being placed on them and to provide educational services needed by their communities. Understanding the need for change is the first step in a transition. Having a vision of what the change entails and what it is trying to accomplish is the next. This includes defining high performance in a manner that can be agreed to by the various stakeholders who become partners in the effort. An explicit focus on educational outcomes frames the change to SBM in a way that replaces issues of who

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gains and who loses power. Developing a shared vision of the organization links people together and provides goals and criteria for change activities and ongoing decisions. School districts and the schools within them should involve stakeholders at all levels in forming the vision, and then in giving it substance at the local level. Superintendents and principals will play a key role in making this happen.

OBJECTIVES OF STUDY

The stated objectives of School Based Management (SBM) are:

- To improve educational outcomes for students through increasing the range of decision-making and resource management at the school level.
- To provide the opportunity for local decision-making.
- To elucidate school board policies and other beneficiaries schemes (Scholarship).
- To provide for the efficient delivery of services to the school community with a minimum of administrative overheads and an emphasis on Community controls; and provides the opportunity for local decision-making.
- To pay particular attention to identify the scope for further supporting schools to enhance the efficiency and effectiveness of service delivery.

NEW VISION OF SCHOOL-BASED MANAGEMENT (SBM)

Decentralization, school autonomy, site-based decision-making, and flexible use of resources themselves are the means but not the final aims of school-based management. The paradigm shift in education inevitably requests the ongoing school-based management efforts to have a new vision in the new millennium, in addition to the existing targets at improvement of internal school process. The development of the society should be multiple towards a multiple intelligence (MI) society. The SBM should have a new vision to provide a learning environment for developing students as a MI citizen who will creatively contribute to the formation of a MI society and a MI global village with multiple developments in technological, economic, social, political, cultural, and learning aspects. Therefore, the new vision of SBM is to facilitate paradigm shift from the *traditional site-bounded education* towards the *new triplication education* and to provide a tripled (i.e. globalized, localized, and individualized) learning environment, with the support of information technology and various types of local and global networking, for developing students' tripled self-learning ability and their multiple intelligence.

IMPLEMENTATION FOR EDUCATIONAL OUTCOMES OF SBM

From the beginning, the school board and superintendent must be supportive of school-based management. They must trust the principals and councils to determine how to implement the district's goals at the individual schools. It is important to have a written agreement that specifies the roles and responsibilities of the school board, superintendent and district office, principal, and SBM council. The agreement should explicitly state the standards against which each school will be held accountable. James Guthrie (1986) states that each school should produce an annual performance and planning report covering "how well the school is meeting its goals, how it deploys its resources, and what plans it has for the future."

Training in such areas as decision-making, problem solving, and group dynamics is necessary for all participating staff and community members, especially in the early years of implementation. To meet the new challenges of the job, principals may need additional training in leadership skills. Hundreds of school districts across the country have experimented with aspects of SBM, including the following:

- **Cherry Creek, Colorado:** This district, located near Denver, has refined its school-based management system over a number of years. Individual schools perform many duties that traditionally fell within the domain of the central office. Commitment, trust, and a sense of ownership are cornerstones of the system at Cherry Creek.
- **Portland, Oregon:** A "hybrid" form of site-based management is in operation in this district. Although both budget authority and personnel selection are decentralized, the district has adopted a basal text for each subject but allows individual schools to retain control over teaching methodology and selection of supplementary instructional materials.
- **Martin County, Florida:** In this district, individual schools have near-complete autonomy; food service is the only area that is centralized. After soliciting ideas from teachers, staff, and advisory groups, principals make final decisions about budget, curriculum, and personnel.

ROLES OF THE SCHOOL BOARD, SUPERINTENDENT AND DISTRICT OFFICE

The **school board** continues to establish a clear and unifying vision and to set broad policies for the district and the schools. SBM does not change the legal governance system of schools, and school boards do not give up authority by sharing authority (AASA/NAESP/NASSP, 1988). The board's role changes little in a conversion to SBM. Each school determines how to spend the lump sum allocated by the district in such areas as personnel, equipment, supplies, and maintenance.

The **superintendent and his or her district office staff** facilitate the decisions made at the school level, and provide technical assistance when a school has difficulty translating the district's vision into high-quality programs. Developing student and staff performance standards and evaluating the schools are also the responsibility of the district staff.

The **district office** will generally continue to recruit potential employees, screen job applicants, and maintain information on qualified applicants from which the schools fill their vacancies. The district office may also specify curricular goals, objectives, and expected outcomes while leaving it up to the schools to determine the methods for producing the desired results. Some districts leave the choice of instructional materials to the schools, whereas others may require schools to use common texts. In some districts, surplus funds can be carried over to the next year or be shifted to a program that needs more funds; in this way, long-range planning and efficiency are encouraged. Most districts create school management councils at each school that include the principal, representatives of parents and teachers, and, in some cases, other citizens, support staff, and--at the secondary level--students. The council conducts a needs assessment and develops a plan of action that includes statements of goals and measurable objectives, consistent with school board policies. In some districts, the management council makes most school-level decisions. In other districts, the council advises the principal, who then makes the decisions. In both cases, the principal has a large role in the decision-making process, either as part of a team or as the final decision maker.

INTERNATIONAL ADVANTAGES FOR SBM

According to the American Association of School Administrators (AASA), the National Association of Elementary School Principals (NAESP), the National Association of Secondary School Principals (NASSP), and other sources, School- Based Management can:

- Allow competent individuals in the schools to make decisions that will improve learning;
- Give the entire school community a voice in key decisions;
- Focus accountability for decisions;
- Lead to greater creativity in the design of programs;
- Redirect resources to support the goals developed in each school;
- Lead to realistic budgeting as parents and teachers become more aware of the school's financial status, spending limitations, and the cost of its programs; and,
- Improve morale of teachers and nurture new leadership at all levels.

MAJOR ISSUES THAT REQUIRE ATTENTION

The evaluation identified a set of issues that need to be addressed as part of any strategy to improve the overall effectiveness of SBM. These issues are not unique to the Government school system but are evident in other jurisdictions where there has been substantial devolution of resource management. These issues are: a too tenuous link between management of resources and achievement of educational outcomes, with many principals regarding the resource management responsibilities of SBM as merely an administrative function, rather than a function which provides opportunities to modify pedagogy and curriculum to better address student learning needs; an expansion of the role of the principal as functions are increasingly devolved, making their need for, and relationship with, skilled bursars and financial managers critical in school performance; school board involvement in decision-making not being commensurate with their legislative responsibilities for school budgets, priority setting, monitoring resources or performance; and a continuing and inevitable tension between the appropriate level of central guidance and monitoring, to ensure that accountability to government for educational outcomes can be assured, and autonomy in local decision-making is maintained.

VARIOUS SCHEMES OF SBM

(I) SBM Scholarship Scheme



Sources: Authors Compilation

The SBM Scholarship Scheme for bright and needy students operates under The SBM Education Fund. It reflects our firm belief in an egalitarian and inclusive society, where adequate support is extended to those in need, and who definitely have the potential to excel in their field of study. SBM not only wants to empower vulnerable groups but also to move closer to the aim of empowerment, which is to provide tools and opportunities to those in needed so that they may achieve employability.

It is with this spirit that the SBM Scholarship Scheme for bright and needy students has been set up. It is a known fact that education and training are the best means to move up the social ladder as well as break the vicious circle of poverty. Children from low-income families have a tendency to stop schooling at a relatively early age, mainly because of lack of money to pursue further studies. Many of such children actually need to work to support their family. They are employed in lower paid and seasonal jobs, a situation that reinforces the vicious circle of poverty. Viewed on a national scale, our commitment to education goes in the direction of supporting the most precious resource that we have, our human capital. With our SBM Scholarship Scheme, we aim to provide an opportunity to bright students from low-income households to pursue their studies so that they may aspire to a brighter future. Running as an annual programme, the SBM Scholarship Scheme contributes at a national level in the fight against poverty while improving the quality of the country's labour force. Launched in 2010, the SBM Scholarship Scheme has to date awarded 583 scholarships to bright and needy students, including 12 from Rodriguez Island. This makes of SBM the single largest provider of scholarships in the Republic of Mauritius.

The SBM Scholarship Scheme has 2 categories:

- 1) Tertiary sector,
- 2) Technical Vocational Education Training (TVET) sector,

If you are interested to learn more and / or apply for the SBM Scholarship Scheme for the Tertiary sector, including a special scheme for courses run at the UOM Trust. If you are interested to learn more and / or apply for the SBM Scholarship Scheme for the Technical Vocational Education Training (TVET) sector being run at the Mauritius Institute of Training and Development (MITD). To benefit from this scheme, students should be attending or be admitted in full-time undergraduate courses at post secondary institutions in Mauritius, recognized by the Tertiary Education Commission (TEC) or be attending / admitted in a full-time award course at the Mauritius Institute of Training and Development (MITD).

Scholarships are awarded to meritorious students who come from a family with a household income not exceeding Rs 15,000 per month. In order to support measures to eradicate absolute poverty in Mauritius, special consideration will be given to meritorious students who come from a family with a household income not exceeding Rs 6,200 per month and registered either at the National Empowerment Foundation or at the Social Register of Mauritius.

Candidates Wishing to Apply for Scholarship Must

- Be citizens and residents of the Republic of Mauritius,
- Meet the minimum entry requirements of the course proposed (e.g. a good HSC or equivalent for degree courses),
- Come from a family whose household income does not exceed Rs 15,000 monthly,
- NOT be children of SBM employees,
- NOT have benefited from any other scholarship for the same course / programme,
- Be aged less than 25.

In addition, students from Rodriguez Island and disabled students are also eligible for this Scholarship Scheme. We highly encourage students from these groups to apply.

For its third edition in 2012, SBM has provided 356 scholarships - 125 scholarships for the Tertiary sector and 231 scholarships for the Technical Vocational Education Training (TVET) sector.

For its fourth edition in 2013, SBM has announced around 400 scholarships around 160 scholarships for the Tertiary sector and another 240 scholarships for the Technical Vocational Education Training (TVET) sector. SBM is currently inviting students to apply for the SBM Scholarship Scheme until 30 August 2013.

Figure-2



Sources: Authors Compilation

(II) Social Housing

One of the three Government defined priority areas as per the new CSR legislation is Social Housing.

The objective of this Social Housing Scheme is as follows:

- To provide a decent housing unit to vulnerable families across the island,
- To upgrade from the traditional CIS housing unit to a concrete cum CIS or full concrete housing unit,
- To bring the contribution of CSR Fund along with the NEF to build houses for some 700 beneficiaries across the island who are owner of land.

This project is a joint initiative with the National Empowerment Foundation (NEF) and is much more than only a Social Housing project as the real objective is to empower those lower down the ladder to get out of poverty. For example, beneficiaries are required to enter into a social contract with the NEF where they agree to follow any training being provided, to attend work when being referred and to commit to send their children (if any) to school, amongst others. The construction cost is being split between the NEF and the SBM with a token contribution from the beneficiary provided as a loan by the NEF. In case the beneficiary does not respect the social contract of the NEF, he/she will have to reimburse this token amount at a penalty rate.

The basic criteria for the housing scheme, as defined by the NEF, are as follows:

- Monthly household income excluding social aid not exceeding Rs 5000,
- Should either:
 - Be owner of land on which the proposed house can be accommodated, or
 - Be holder of a lease from the State.
 - Obtain permission from parents (Father, Mother, Grandfather, and Grandmother) who should be owner of the land to be made available for the construction.

SBM is planning to support the NEF in the construction of 200 such houses (for families with household income less than Rs 5,000 per month) spread geographically across the island.

(III) Welfare of Children from Vulnerable Groups

Figure-3



Sources: Authors Compilation

Specialists agree that the first years are the most important for the development of children. In addition, children are also considered to be vulnerable and need protection and support to grow into adulthood.

SBM, fully conscious of this fact, has always provided a special attention to the welfare of children from vulnerable groups. Since 2008, SBM is the official partner of ABAIM, a well-known organization for their contribution to music and culture. This NGO supports the society, mostly disabled persons and children in need of Cité Barkly and neighboring regions of Beau Bassin, through the promotion of our cultural heritage and the advancement of our Equality & Diversity objectives. Founded in 1982, ABAIM is involved in musical, leisure & sports activities and educational support, as well as a Saturday Care project, which consists of around 100 children aged between 4 and 17 years residing at Cité Barkly and its vicinity.

The association is regularly solicited by other organizations to share best practices in terms of services provided to children. Through our partnership, the musical workshop has been upgraded and additional musical instruments purchased. In addition, we have been supporting the Saturday Care project, which provides a non-conventional type of education to the children, fostering acquisition on skills through music, arts, culture and sports, as well as preventing the youngsters to fall into the trap of social ills.

(IV) Eradication of Absolute Poverty (EAP)**Figure-4****Sources:** Authors Compilation

The Eradication of Absolute Poverty Programme has been set up with the mandate of addressing the problem of absolute poverty (household income less than Rs 5,000 per month) affecting the lives of around 7000 households (7157 families in 229 pockets of poverty, regrouped in 69 clusters with around 100 families per cluster). The approach being used is the Integrated Community Development approach with the participation of the private sector and other stakeholders. This approach implies the identification of the priority needs of vulnerable families with their participation and that of NGOs and community leaders. Prioritized problems are addressed in a holistic way under one programme with resources from Government, the private sector and NGOs contributions in terms of human resource. The problems of the absolute poor are quite similar in most of the cases and consequently integrated projects for pockets of poverty have the following generic areas of intervention:

- Housing
- Education
- Training and Employment(Adult Literacy)
- Health
- Training in Life skills
- Treatment and rehabilitation of substance abusers
- Public infrastructure(roads, drains, footbridges, footpaths, playgrounds)
- Public Utilities(Drinking water, electricity, septic tanks)
- Sports and Leisure

Sources: Authors Compilation

Problems specific to pockets of poverty are also dealt with within the same integrated programme. The emphasis is to break the vicious circle of poverty and ensure upward social mobility through education and a wider circle of opportunities. The integrated approach focuses on individuals, families and the community. In this respect, at the level of NEF, through its outreach services, personalized attention is being given to each citizen so that each family has a decent house, with:

- The head of household benefiting from Training & Placement leading him/her to a stable employment with a decent salary.
- The spouse, supported by the Special Programme for Women, engaging in income generating activities.
- The children, under the guidance of their parents, pursuing their studies to higher levels without the need in the long term.
- The ultimate objective is to transform vulnerable families from a situation of recipient of assistance to a situation favoring empowerment and self-reliance where they participate actively and contribute positively in the economy.

The purpose of this programme is to eradicate absolute poverty in Mauritius. Investing on its subsequent causes is more costly for a country than addressing the problem of poverty at its root. Poverty is known to be multi-faceted and needs to be addressed in a holistic approach, mainly through the following:

- All poor children of preprimary school-going age attend school,
- These children are provided with a decent lunch,
- Parents are trained to get a decent job with sustainable income,
- Social problems are dealt with,
- Training in life skills management be provided to parents and children, and
- Adequate infrastructure is provided to those needing it.

As such, SBM has 'adopted' 2 clusters of the National Empowerment Foundation (NEF) - Pamplemousses & Argy, Flacq.

(V) Internal CSR Programmes

SBM staff is encouraged to volunteer their time and talent to support the community. Following its success and request from staff, the existing SBM 50:50 Matching Scheme has been upgraded to SBM 1:2 Matching Scheme.

Figure-5

Sources: Authors Compilation

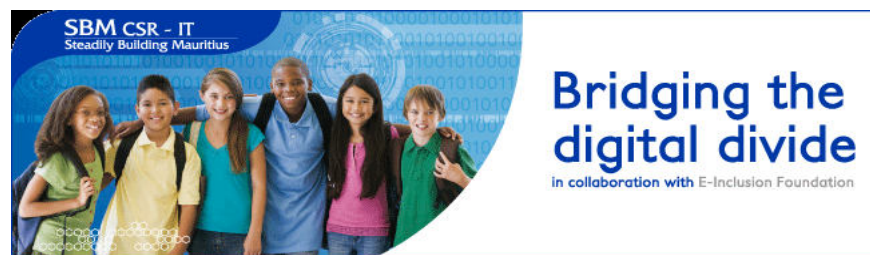
SBM 1:2 Matching Scheme

This scheme aims at fostering staff volunteering and engagement towards community-related activities

Staff members are encouraged to organize fund-raising activities in flavour of NGOs / Community organizations. Through this scheme, the Bank supports staff members' fund-raising initiatives by topping twice the profits raised, up to a ceiling of Rs 100,000 per initiative. The proceeds are directed to the benevolent organization or the community project, as per the choice of the staff initiating the fund-raising activity. Over the last year, we have seen an increasing number of employees getting involved in community development initiatives. Examples of community organizations that have benefited from this scheme are Association Alphabetization de -Fatima (providing non-formal type of education to out-of-school youth in the north), Society for the Welfare of the Deaf (education, welfare and rehabilitation of deaf persons). African Network for the Protection and Prevention of Child Abuse (ANPPCAN) (a halfway home for young girls who are released from RYC or Probation Home for Girls), amongst others.

Blood Donation

SBM brings its contribution to the blood bank by regularly organizing blood collections throughout the island. These initiatives have the support of our employees and customers. For instance, in 2011, blood donations campaigns have been organized in Grand Bay, Riviere du Rempart, Goodland's and Port Louis (SBM Tower).

(VI) SBM Information Technology Programme**Figure-6**

Sources: Authors Compilation

The SBM IT Project in partnership with the E-Inclusion Foundation consists of the provision of refurbished PCs to 3,000 needy students.

The criteria to benefit from this project is that the family household income should be less than Rs10,000 per month - the same criteria which was used last year to benefit from subsidy for SC and HSC exams from the Ministry of Social Security. As such, the beneficiaries of this project would be students who have benefited from this scheme and are still pursuing their studies in a recognized educational institution. The beneficiaries also include those students who have benefited from either a scholarship under the Human Resources, Knowledge, Arts and Development Fund (HRKADF) or the SBM Scholarship Scheme for Bright and Needy students.

SBM firmly believe that IT coupled with internet access is a powerful and important tool, which is mainly used for research and academic work, and which may definitely help improve pass rate among students. We believe that providing PCs opens an equal opportunity window for students lower down the ladder. We wish to contribute to the personal development and empowerment of needy students, thus also contributing towards reducing the so-called digital divide. While we want the students to benefit from a PC to achieve the national pass rate at their exams, we also want to see them proceed to University studies and thus have better employment opportunities to break the vicious circle of poverty, as we believe that IT is an important enabler of social and economic growth.

CONCLUSIONS

School-based management is an organizational approach that expands the local school site responsibility and authority for the improvement of school performance. Ideally, it provides local mechanisms for the introduction of new approaches to education that result in enhanced outcomes and that had better fill the needs of the local community. The implementation of SBM represents a fundamental and systemic organizational change to increase the local presence of four key resources: power, information, knowledge and skills, and performance-based rewards. In schools, SBM has been approached largely as a political phenomenon involving the transfer of power to local councils. Studies of decentralization in the private sector, however, have indicated that decentralization of power is most likely to lead to performance improvement if accompanied by organizational changes that enhance the information, knowledge and skills of local participants and that align the reward system with clearly articulated desired outcomes. This policy brief recommends that states and local districts become active in creating the conditions for effective implementation of SBM.

Participatory decision-making sometimes creates frustration and is often slower than more autocratic methods. The council members must be able to work together on planning and budget matters. This leaves principals and teachers less time to devote to other aspects of their jobs. Teachers and community members who participate in the councils may need training in budget matters; some teachers may not be interested in the budget process or want to devote time to it. Members of the school community must also beware of expectations that are too high. According to the AASA/NAESP/NASSP task force, districts that have had the most success with SBM have focused their expectations on two benefits greater involvement in making decisions and making "better" decisions.

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**MEASURING THE IMPACT OF SERVICE RECOVERY STRATEGIES
ON CUSTOMER LOYALTY AND WORD OF MOUTH
WITH RESPECT TO CUSTOMER SATISFACTION AS A MEDIATING FACTOR**

Preeti Singh⁵ Shivangee Goyal⁶

ABSTRACT

Loyal customers are a vital asset of service companies. The most effective way to ensure repeated customers is to provide a product and service that meets or exceeds the customer's expectations every time. Fulfillment of customer's expectations leads to customer satisfaction, which is crucial for the survival of any business organization. However, service failures are often unavoidable due to human and non-human errors. Such failures to perform a service inevitably lead to customer dissatisfaction. It has been recognized that once a service failure occurs, it becomes crucial that service recovery be effectively carried out. Service recovery involves those actions designed to resolve problems, alter negative attitudes of dissatisfied consumers and to ultimately retain these customers. This paper reports on a study investigating key attributes of service recovery strategies in mobile service providers with measuring its impact on customer loyalty and WoM with moderating effect of customer satisfaction.

KEYWORDS

Service Recovery Strategies, Customer Satisfaction, Customer Loyalty, Word of Mouth etc.

INTRODUCTION

“The best way to find you is to lose yourself in the service of others.”

(Mahatma Gandhi)

Losing our self in the service of others means giving customers better services so that they are more satisfied. A firm's success not only depends on quality products but also on a good customer service. Quality customer service consists in satisfying the expressed needs as well as complying with customer requirements. However, mistakes are inevitable while providing services as pointed out by authors such as Chang and Hsiao (2008), DeWitt et al. (2008), Huang (2008), Michel and Meuter (2008) and Varela et al. (2008). Satisfaction / dissatisfaction levels are adversely affected by company errors as they affect end-user perception (Michel and Meuter, 2008). In addition, if a customer is dissatisfied, it has a potential to diminish an organization's customer base; erode the firm's reputation (Levesque and McDougall, 1996). These consequences of dissatisfaction are true particularly in service industries where customer dissatisfaction is a significant problem (Fornell, 1992; Singh, 1990). To meet these service failures, an effective service recovery strategy is important. Hart et al. (1990) stress that a good recovery can turn angry frustrated customers into loyal ones. Therefore, the purpose of the study is to draw the attention towards the service recovery strategies that should be adopted by mobile service providers and a research model that links customer satisfaction with customer loyalty and word of mouth.

OBJECTIVE OF STUDY

- To study the impact of service recovery strategies on customer satisfaction.
- To study the impact of customer satisfaction on customer loyalty and word of mouth.

LITERATURE REVIEW

Service Recovery

As stated customers are a vital assets for any organization, but what makes these customer delighted. In other words, how can we maximize customer satisfaction? A clear-cut answer is to minimize the chances of service failure. According to Bell and Zemke, 1987, service failure occurs when the quality of service delivery fall short of customers' expectations. We know to err is human, service failure for any organization is inevitable, but a solution to this problem is service recovery. Service recovery involves actions designed to resolve problem, alter negative attitudes of dissatisfied consumers and ultimately retain these customers (Miller et al., 2000). Four key elements of successful service recovery namely strategies-acknowledgement, explanation, apology, and compensation were suggested by Bitner et al. (1990).

Although today's era is full of services from financial, to banking and many other, but an indispensable service used by almost each and every is telecom service. India, world's biggest emerging mobile market with diversified telecom service providers. The

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present paper tries to analyze the impact of service recovery on customer loyalty, using customer satisfaction as a moderating factor. Many early studies like those of. Levesque and McDougall (2000), Hart et al. (1990) found that service three types of action constitute service recovery, which can be used solely or in some combination, (1) apologize (acknowledging the problem); (2) assistance (fixing the problem); and (3) compensation (paying for the costs of the problem).

Customer Satisfaction

Customer satisfaction is a feeling of a customer, which enables him to measure the extent to which product, or service performance matches his predefined expectations, it is more over a process. The theory of “expectancy disconfirmation,” is the most widely adopted theory, which views satisfaction as largely based on meeting or exceeding expectation (Erevelles and Leavitt, 1992; Tse et al., 1990). Many Researchers like Oliver and Swan, 1989 have shown that satisfaction is positively related to disconfirmation. In simple words, if for a customer, performance is greater than his expectations, he is more of delighted, if it equals his expectation, he is satisfied and if it is below his expectations, he is dissatisfied. The service recovery researches have shown that this disconfirmation model is applicable in recovery situations as well (Boshoff, 1997)

Customer Loyalty

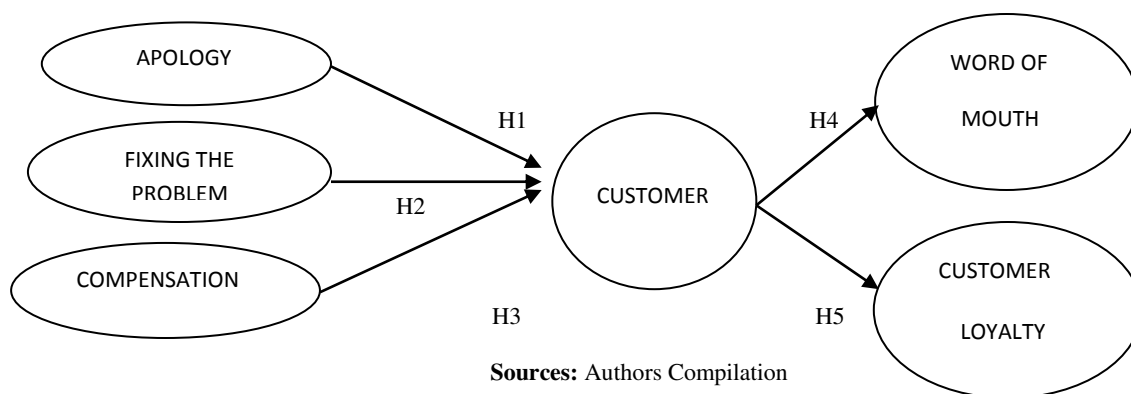
For any company, customers are most vital assets for any organization and the factor, which makes these customers vital, is their loyalty. This customer loyalty, acts a basis of judging e-business model designs. Online companies perceive that developing trust makes lasting relationships but a quick, short-term sale will leave a customer deceived. Smith and Bolton (1998) in their paper proved that satisfaction after a service recovery affects customer retention and customers word-of-mouth. Therefore, this service recovery needs to significantly affect repurchase behaviors.

Word of Mouth

Word-of-mouth means informal communication among the current consumers regarding the characteristics of a business or a product (Westbrook, 1987). In a service setting, it is important that if failure occurs steps must be taken to pacify the dissatisfied customers. If not, it is highly likely that they either will exit or engaged in negative WOM to the detriment of the service provider. The result would be lost sales and profits. On the other hand, consumers who receive fair service recovery are more likely to patronize the service provider and even engage in positive WOM behavior, thus spreading goodwill for the service provider. Blodgett et al. (1997) confirmed that interactional justice had large impact on WOM intentions. As such, satisfaction with service recovery would encourage positive WOM communication.

RESEARCH MODEL

Figure-1: A Service Recovery Research Model



HYPOTHESIS OF STUDY

H₀₁: Apology has no impact on customer satisfaction.

H_{A1}: Apology has a significant impact on customer satisfaction. (Alternative Hypothesis)

H₀₂: Fixing the problem has no impact on customer satisfaction.

H_{A2}: Fixing the problem has a significant impact on customer satisfaction. (Alternative Hypothesis)

H₀₃: Compensation has no impact on customer satisfaction.

H_{A3}: Compensation has a significant impact on customer satisfaction. (Alternative Hypothesis)

H₀₄: Customer satisfaction has no impact on customer loyalty.

H_{A4}: Customer satisfaction has a significant impact on customer loyalty. (Alternative Hypothesis)

H₀₅: Customer satisfaction has no impact on word of mouth.

H_{A5}: Customer satisfaction has a significant impact on word of mouth. (Alternative Hypothesis)

Regarding Demographics

HD0: Age has no significant differentiation on word of mouth as well as on customer loyalty.
 HD1: Age has significant differentiation on word of mouth as well as on customer loyalty.
 HD0: Gender has no significant differentiation on word of mouth as well as on customer loyalty.
 HD2: Gender has significant differentiation on word of mouth as well as on customer loyalty.
 HD0: Occupation has no significant differentiation on word of mouth as well as on customer loyalty.
 HD3: Occupation has significant differentiation on word of mouth as well as on customer loyalty.
 HD0: Education has no significant differentiation on word of mouth as well as on customer loyalty.
 HD4: Education has significant differentiation on word of mouth as well as on customer loyalty.
 HD0: Income Level has no significant differentiation on word of mouth as well as on customer loyalty.
 HD5: Income Level has significant differentiation on word of mouth as well as on customer loyalty.

RESEARCH METHODOLOGY

Mobile phones have become an essential part of one's life and without mobile phones, we cannot imagine our life. Nevertheless, mobile phones are incomplete without a service provider. Therefore, the main purpose of the research is to examine the satisfaction / dissatisfaction and complaining behavior of customers of different mobile service providers.

Data Collection

A self-administered, structured questionnaire was made to collect the data. The designed questionnaire was uploaded on Google drive, and the link had been sent to around 200 respondents i.e. our target sample size. Out of which 100 were filled and in these 100, the blank forms were dropped out.

Measures

A questionnaire comprising of 6 sections with 25 questions was used for the purpose of measurement. For the study, a five point Likert scale was used ranging from "Strongly Disagree to Strongly Agree", as it is more reliable and provides a greater volume of data.

Data Analysis Technique

For the purpose of this study, SPSS is used to calculate various factors to know relations between variables in order to prove the hypotheses. The following tools used for the analysis and interpretation are T-test, Anova, Regression analysis.

FINDINGS AND INTERPRETATIONS

Regarding Demographics

The demographic variables (age, gender, occupation and income level) have no significant differentiation on customer loyalty and word of mouth, except education, which has a rare differentiation on word of mouth.

Education

Table-1: ANOVA

| | | Sum of Squares | df | Mean Square | F | Sig. |
|----------|----------------|----------------|----|-------------|-------|------|
| MEAN_CL | Between Groups | 2.800 | 6 | .467 | .872 | .519 |
| | Within Groups | 46.536 | 87 | .535 | | |
| | Total | 49.335 | 93 | | | |
| MEAN_WOM | Between Groups | 2.770 | 6 | .462 | 2.080 | .064 |
| | Within Groups | 19.313 | 87 | .222 | | |
| | Total | 22.083 | 93 | | | |

Sources: Authors Compilation

Descriptive Related to Service Provider Used

Table-2: Service Provider You Use

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|----------|-----------|---------|---------------|--------------------|
| | Airtel | 18 | 19.1 | 19.1 | 19.1 |
| | Bsnl | 20 | 21.3 | 21.3 | 40.4 |
| | Docomo | 22 | 23.4 | 23.4 | 63.8 |
| | Idea | 13 | 13.8 | 13.8 | 77.7 |
| | Reliance | 12 | 12.8 | 12.8 | 90.4 |
| | Vodafone | 9 | 9.6 | 9.6 | 100.0 |
| Total | | 94 | 100.0 | 100.0 | |

Sources: Authors Compilation

Table-3

| Descriptive Statistics | | | | | |
|--------------------------|----|---------|---------|--------|----------------|
| | N | Minimum | Maximum | Mean | Std. Deviation |
| Service Provider You Use | 94 | 1.00 | 6.00 | 3.0851 | 1.58392 |
| Valid N (list wise) | 94 | | | | |

Sources: Authors Compilation**Regarding Hypothesis**H₀₁: Apology has no impact on customer satisfaction.H_{A1}: Apology has a significant impact on customer satisfaction. (Alternative Hypothesis)**Table-4: ANOVA^a**

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|-----------------------------------|----------------|----|-------------|--------|-------------------|
| 1 Regression | 11.853 | 1 | 11.853 | 35.326 | .000 ^b |
| Residual | 30.869 | 92 | .336 | | |
| Total | 42.722 | 93 | | | |
| a. Dependent Variable: MEAN_CS | | | | | |
| b. Predictors: (Constant), MEAN_A | | | | | |

Sources: Authors Compilation**Table-5: Coefficients^a**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------|------------|-----------------------------|------------|---------------------------|-------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 1.724 | .330 | | 5.231 | .000 |
| | MEAN_A | .530 | .089 | .527 | 5.944 | .000 |
| a. Dependent Variable: MEAN_CS | | | | | | |

Sources: Authors Compilation

A linear regression analysis was conducted to compare customer satisfaction as a condition of apology. There was a significant difference in scores for apology (M= 3.63, S.d= 0.673) and customer satisfaction (M= 3.65, S.d= .6777) conditions, (t=5.944, p=0.000). These results suggest that apology really does have an effect customer satisfaction. Specifically there is a significant role of apology on customer satisfaction.

H₀₂: Fixing the problem has no impact on customer satisfaction.H_{A2}: Fixing the problem has a significant impact on customer satisfaction. (Alternative Hypothesis)**Table-6: ANOVA^a**

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|-------------------------------------|----------------|----|-------------|---------|-------------------|
| 1 Regression | 25.111 | 1 | 25.111 | 131.179 | .000 ^b |
| Residual | 17.611 | 92 | .191 | | |
| Total | 42.722 | 93 | | | |
| a. Dependent Variable: MEAN_CS | | | | | |
| b. Predictors: (Constant), MEAN_FTP | | | | | |

Sources: Authors Compilation**Table-7: Coefficients^a**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------|------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .645 | .266 | | 2.421 | .017 |
| | MEAN_FTP | .807 | .070 | .767 | 11.453 | .000 |
| a. Dependent Variable: MEAN_CS | | | | | | |

Sources: Authors Compilation

A linear regression analysis was conducted to compare customer satisfaction as a condition of fixing the problem. There was a significant difference in scores for fixing the problem ($M= 3.72$, $S.d= 0.64$) and customer satisfaction ($M= 3.65$, $S.d= .6777$) conditions, ($t=11.453$, $p=0.000$). These results suggest that fixing the problem really does have an effect customer satisfaction. Specifically there is a significant role of fixing the problem on customer satisfaction.

H₀₃: Compensation has no impact on customer satisfaction.

H_{A3}: Compensation has a significant impact on customer satisfaction. (Alternative Hypothesis)

Table-8: ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-----------------------------------|------------|----------------|----|-------------|---------|-------------------|
| 1 | Regression | 26.214 | 1 | 26.214 | 146.093 | .000 ^b |
| | Residual | 16.508 | 92 | .179 | | |
| | Total | 42.722 | 93 | | | |
| a. Dependent Variable: MEAN_CS | | | | | | |
| b. Predictors: (Constant), MEAN_C | | | | | | |

Sources: Authors Compilation

Table-9: Coefficients^a

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------|------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .828 | .238 | | 3.483 | .001 |
| | MEAN_C | .773 | .064 | .783 | 12.087 | .000 |
| a. Dependent Variable: MEAN_CS | | | | | | |

Sources: Authors Compilation

A linear regression analysis was conducted to compare customer satisfaction as a condition of compensation. There was a significant difference in scores for compensation ($M=3.65$, $S.d=0.686$) and customer satisfaction ($M= 3.65$, $S.d= .6777$) conditions, ($t=12.087$, $p=0.000$). These results suggest that compensation really does have an effect customer satisfaction. Specifically there is a significant role of compensation on customer satisfaction.

H₀₄: Customer satisfaction has no impact on customer loyalty.

H_{A4}: Customer satisfaction has a significant impact on customer loyalty. (Alternative Hypothesis)

Table-10: ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|------------------------------------|------------|----------------|----|-------------|---------|-------------------|
| 1 | Regression | 27.077 | 1 | 27.077 | 111.914 | .000 ^b |
| | Residual | 22.259 | 92 | .242 | | |
| | Total | 49.335 | 93 | | | |
| a. Dependent Variable: MEAN_CL | | | | | | |
| b. Predictors: (Constant), MEAN_CS | | | | | | |

Sources: Authors Compilation

Table-11: Coefficients^a

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------|------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .779 | .279 | | 2.789 | .006 |
| | MEAN_C | .796 | .075 | .741 | 10.579 | .000 |
| a. Dependent Variable: MEAN_CS | | | | | | |

Sources: Authors Compilation

A linear regression analysis was conducted to compare customer loyalty as a condition of customer satisfaction. There was a significant difference in scores for customer satisfaction ($M= 3.65$, $S.d= 0.6777$) and customer loyalty ($M= 3.68$, $S.d= .728$) conditions, ($t=10.579$, $p=0.000$). These results suggest that customer satisfaction really does have an effect on customer loyalty. Specifically there is a significant role of customer satisfaction on customer loyalty.

H₀₅: Customer satisfaction has no impact on word of mouth.

H_{A5}: Customer satisfaction has a significant impact on word of mouth. (Alternative Hypothesis)

Table-12: ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|------------------------------------|------------|----------------|----|-------------|-------|-------------------|
| 1 | Regression | .950 | 1 | .950 | 4.134 | .045 ^b |
| | Residual | 21.134 | 92 | .230 | | |
| | Total | 22.083 | 93 | | | |
| a. Dependent Variable: MEAN_WOM | | | | | | |
| b. Predictors: (Constant), MEAN_CS | | | | | | |

Sources: Authors Compilation**Table-13: Coefficients^a**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---------------------------------|------------|-----------------------------|------------|---------------------------|-------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 2.320 | .272 | | 8.523 | .000 |
| | MEAN_C | .149 | .073 | .207 | 2.033 | .045 |
| a. Dependent Variable: MEAN_WOM | | | | | | |

Sources: Authors Compilation

A linear regression analysis was conducted to compare word of mouth as a condition of customer satisfaction. There was a significant difference in scores for customer satisfaction ($M= 3.65$, $S.d= 0.6777$) and word of mouth ($M= 2.86$, $S.d= .487$) conditions, ($t=2.033$, $p=0.045$). These results suggest that customer satisfaction really does have an effect on word of mouth. Specifically there is a significant role of customer satisfaction on word of mouth.

SUMMARY OF FINDINGS

Table-14

| S. No. | Hypothesis | Accepted / Not Accepted | Sig. | Mean | St. Dev. | T-test |
|--------|--|-------------------------|------|------|------------|--------|
| 1 | H ₀₁ : Apology has no impact on customer satisfaction. | Rejected | .000 | 3.63 | 0.673 | 5.944 |
| 2 | H _{A1} : Apology has significant impact on customer satisfaction. (Alternative Hypothesis) | Failed to reject | | | | |
| 3 | H ₀₂ : Fixing the problem has no significant impact on customer satisfaction. | Rejected | .000 | 3.72 | 0.64 | 11.453 |
| 4 | H _{A2} : Fixing the problem has an impact on customer satisfaction. (Alternative Hypothesis) | Failed to reject | | | | |
| 5 | H ₀₃ : Compensation has no impact on customer satisfaction. | Rejected | .000 | 3.65 | 0.686 | 12.087 |
| 6 | H _{A3} : Compensation has significant impact on customer satisfaction. (alternative Hypothesis) | Failed to reject | | | | |
| 7 | H ₀₄ : Customer satisfaction has no impact on customer loyalty. | Rejected | .000 | 3.65 | 0.677 7 | 10.579 |
| 8 | H _{A4} : Customer satisfaction has a significant impact on customer loyalty. (Alternative Hypothesis) | Failed to reject | | | | |
| 9 | H ₀₅ : Customer satisfaction has no impact on word of mouth. | Rejected | .045 | 3.65 | 0.677 7 | 2.033 |
| 10 | H _{A5} : Customer satisfaction has significant impact on word of mouth.(Alternative Hypothesis) | Failed to reject | | | | |

Sources: Authors Compilation

LIMITATIONS OF STUDY

There are certain limitations of this paper; the main limitation is time constraint. In a short span of time, we had to manage with a small sample size along with limited resources. Another one was, less familiarity among the respondents since the questionnaire was online. However, as the mobile service provider has huge potential, the paper maintains the same status quo and can be used in future for a research at a bigger level.

CONCLUSIONS

From the study, it is identified that respondents were positively influenced by service recovery strategies as evaluated by regression analysis. The study showed positive as well as significant impact of customer satisfaction on customer loyalty and word of mouth.

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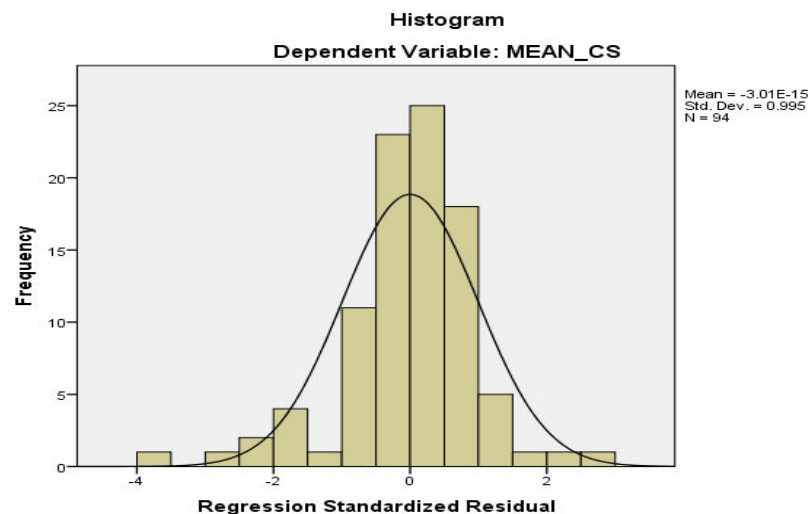
Annexure

Regarding Hypothesis

H₀₁: Apology has no impact on customer satisfaction.

H_{A1}: Apology has a significant impact on customer satisfaction. (Alternative Hypothesis)

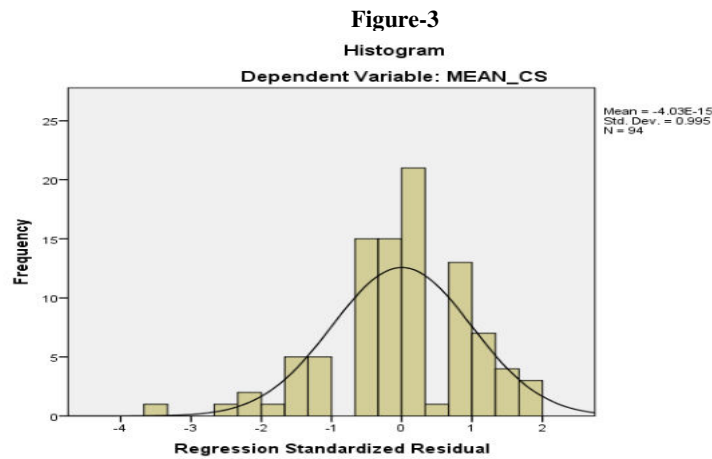
Figure-2



Sources: Authors Compilation

H₀₂: Fixing the problem has no impact on customer satisfaction.

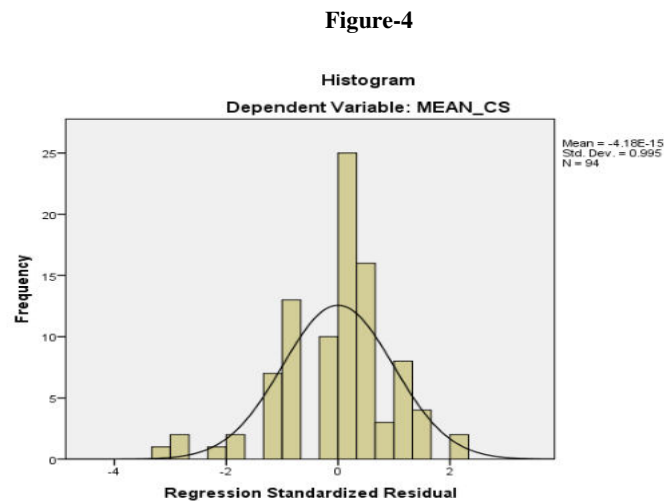
H_{A2}: Fixing the problem has a significant impact on customer satisfaction. (Alternative Hypothesis)



Sources: Authors Compilation

H₀₃: Compensation has no impact on customer satisfaction.

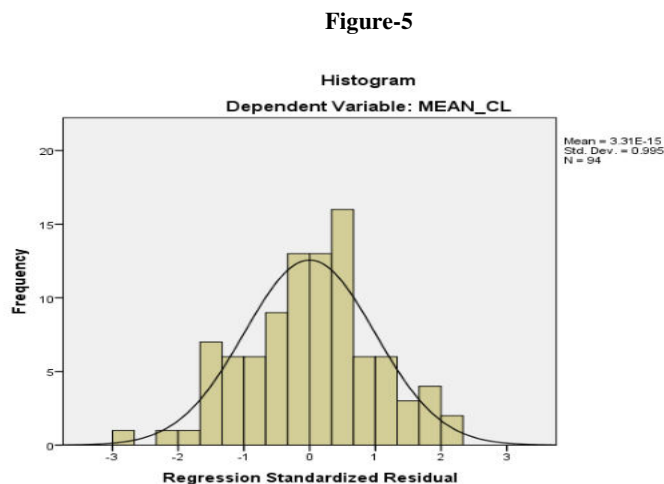
H_{A3}: Compensation has a significant impact on customer satisfaction. (Alternative Hypothesis)



Sources: Authors Compilation

H₀₄: Customer satisfaction has no impact on customer loyalty.

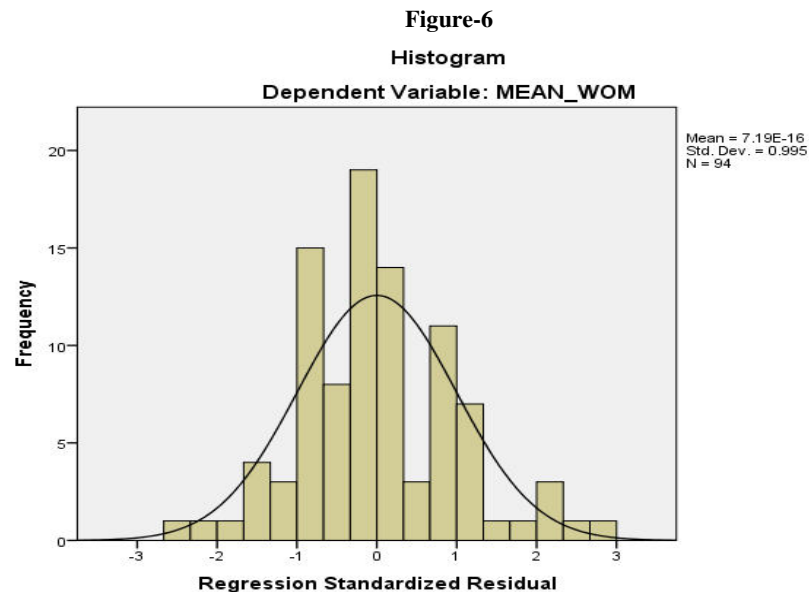
H_{A4}: Customer satisfaction has a significant impact on customer loyalty. (Alternative Hypothesis)



Sources: Authors Compilation

H₀₅: Customer satisfaction has no impact on word of mouth.

H_{A5}: Customer satisfaction has a significant impact on word of mouth. (Alternative Hypothesis)



Sources: Authors Compilation

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An author must avoid making defamatory statements in submitted articles which could be construed as impugning any person's reputation, for example, making allegations of dishonesty or sharp practice, plagiarism, or misrepresentation; or in any way attacking a person's integrity or competence.

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Additionally, the author understands that co-authors are bound by these same principles.

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MEDICAL TOURISM SCENARIO IN INDIA

Dr. Vinod N Sambrani⁷ Shekar N. Makkalageri⁸

ABSTRACT

Medical-Tourism is the buzzword and talk of the day, today. State-of-the art medical assistance and the potential and exciting tourism opportunities joined together and leading to the most potential segment that is Medical-Tourism in health industries and tourism industries segment. Though it is advanced globally, India has entered this field and marching ahead. Economical and affordable cost of medical sciences with tourism attached to it is making the seekers to throng to our country and is offering as a potential segment of business with both modern and ancient medicine in process. There are many leading players in this segment in both public and private sectors. This article discusses few of the above issues and potential Opportunities in this segment.

KEYWORDS

Medical Tourism, Information and Communication Technology, Providing Urban Facilities in Rural Areas, Karnataka State Tourism Development Corporation, Patient Relationship Management etc.

INTRODUCTION

Medicine is the science and art of healing. It encompasses a variety of health care practices evolved to maintain and restore health by the prevention and treatment of illness in human beings, medicine is used to refer to the science of healing, as well as any substance that is used to treat diseases and promote health”.

Educated doctors in order to cure illnesses and infections, as well as to maintain a healthy body prescribe medicine. The use of medicine and plants with medicinal properties has taken place since the prehistoric times when people believed that herbs and animal parts could help heal sick and injured people. Many countries around the world such as Egypt, India, Persia, and China have been developing traditional medical practices for hundreds of years. Since then the use of medicine has become greatly intertwined with most people’s lives and many people often use it on a daily basis in order to help with things such as lowering blood pressure or cholesterol. As science and technology continue to improve, medicine is becoming more and more reliable. Medicine and the advances made in medical technology have greatly increased life expectancy and has made coping with illness more comfortable. Medicine exists to help with a variety of different issues. There is medicine that is used to lessen pain such as morphine, anti-depression medicine, and medicine such as antibiotics that kills bacteria that causes sickness. Pharmaceutical companies who are researching and developing new types of medicine spend millions of dollars every year.

Medicinal is a term that refers to anything that contains therapeutic properties. There are foods, plants, herbs and mushrooms that contain medicinal properties. The medicinal herb called bloodroot is used in small doses to cure throat infections, and the paste that is made from bloodroot can be used externally in order to help with skin diseases and warts. St. John’s Wart can be used to treat depression, diarrhea and bladder problems, as well as bed-wetting in children. The medicinal herb ginseng has the ability to help the body deal with heat, cold, stress and fatigue. There are hundreds of plants that contain medicinal properties and dictionaries of therapeutic herbs and plants can be found at most bookstores. There are many types of medicinal mushrooms that are used in the practice of medicine.

HISTORICAL OVERVIEW OF PAST PRESENT AND FUTURE MEDICINE

We are into the new millennium it is becoming increasingly clear that the biomedical sciences are entering the most exciting phase of their development. Paradoxically, medical practice is also passing through a phase of increasing uncertainty, in both industrial and developing countries. Industrial countries have not been able to solve the problem of the spiraling costs of health care resulting from technological development, public expectations, and—in particular—the rapidly increasing size of their elderly populations. The people of many developing countries are still living in dire poverty with dysfunctional health care systems and extremely limited access to basic medical care.

Past Scenario

India has one of the oldest civilizations on earth, which is more than 5000 years ago. As a result, it also has a long medical history. The ancient Indians used vegetable, animal, and earth as drugs to cure diseases. What is more interesting about Indian medicine is not how the cure the disease, but how the use medicine to lead to a long life. It also helps to prevent diseases and ailment by using a variety of things, like food, aroma, yoga, lifestyle, etc. By the 12th century, a book called Susruta Samhita was

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written. It explained many advances surgery that India had developed, which included reconstruction of injured facial part, lithotomy, removal of dead fetus, etc. As you can tell from its advanced surgery, they also had a well understanding of anatomy.

Medicine before the 20th Century

In the earliest evidence surviving from the ancient civilizations of Babylonia, China, Egypt, and India, it is clear that longevity, disease, and death are among humanity's oldest preoccupations. From ancient times to the Renaissance, knowledge of the living world changed little, the distinction between animate and inanimate objects was blurred, and speculations about living things were based on prevailing ideas about the nature of matter.

Advances in science and philosophy throughout the 16th and 17th centuries led to equally momentous changes in medical sciences. After steady progress during the 18th century, the biological and medical sciences began to advance at a remarkable rate during the 19th century, which saw the genuine beginnings of modern scientific medicine. 19th century, curative medical technology had little effect on the health of society, and many of the improvements over the centuries resulted from higher standards of living, improved nutrition, better hygiene, and other environmental modifications. The groundwork was laid for a dramatic change during the second half of the 20th century, although considerable controversy remains over how much we owe to the effect of scientific medicine and how many too continued improvements in our environment.

This balance between the potential of the basic biological sciences and simpler public health measures for affecting the health of our societies in both industrial and developing countries remains controversial and is one of the major issues to be faced by those who plan the development of health care services for the future.

Science, Technology, and Medicine in the 20th Century

Science and Technology speedy gains in life expectancy followed social change and public health measures; progress in the other medical sciences was slow during the first half of the 20th century, possibly because of the debilitating effect of two major world wars. The position changed dramatically after World War II, a time that many still believe was the period of major achievement in the biomedical sciences for improving the health of society. Modern epidemiology came into its own after World War II, when increasingly sophisticated statistical methods were first applied to the study of noninfectious disease to analyze the patterns and associations of diseases in large populations. The emergence of clinical epidemiology marked one of the most important successes of the medical sciences in the 20th century.

The first major success of clinical epidemiology was the demonstration of the relationship between cigarette smoking and lung cancer by Austin Bradford Hill and Richard Doll in the United Kingdom. This work was later replicated in many studies, currently, tobacco is estimated to cause about 8.8 percent of deaths (4.9 million) and 4.1 percent of disability-adjusted life years (59.1 million) (WHO 2002c). Despite this information, the tobacco epidemic continues, with at least 1 million more deaths attributable to tobacco in 2000 than in 1990, mainly in developing countries. Risk factors diseases, such as hypertension, obesity and its accompaniments, and other forms of cancer. Risk factors defined such as unsafe water, poor sanitation and hygiene, pollution, and others, form the basis of The World Health Report 2002 (WHO 2002c), which sets out a program for controlling disease globally by reducing 10 conditions: underweight status; unsafe sex; high blood pressure; tobacco consumption; alcohol consumption; unsafe water, sanitation, and hygiene; iron deficiency; indoor smoke from solid fuels; high cholesterol; and obesity. These conditions are calculated to account for more than one-third of all deaths worldwide.

The epidemiological approach has its limitations, however. Where risk factors seem likely to be heterogeneous or of only limited importance, even studies involving large populations continue to give equivocal or contradictory results. Why so many people in both industrial and developing countries ignore risk factors that are based on solid data is still not clear; much remains to be learned about social, cultural, psychological, and ethnic differences with respect to education about important risk factors for disease. Finally, little work has been done regarding the perception of risk factors in the developing countries (WHO 2002c). More recent developments in this field come under the general heading of evidence-based medicine (EBM) (Sackett and others 1996). Although it is self-evident that the medical profession should base its work on the best available evidence, the rise of EBM as a way of thinking has been a valuable addition to the development of good clinical practice over the years. It covers certain skills that are not always self-evident, including finding and appraising evidence and, particularly, implementation—that is, actually getting research into practice. Its principles are equally germane to industrial and developing countries, and the skills required, particularly numerical, will have to become part of the education of physicians of the future. Good clinical practice will be a major challenge for medical education.

Present Scenario

We have been treating diseases for thousands of years now; we still have a long way to go. As of today, there are still diseases that can be suppressed but not cured. One example is the "acquired immunodeficiency syndrome" (AIDS). Discovered in 1980s, this disease is still under close observation today, with millions of AIDS and HIV patients. The influenza is threatening China, Indonesia and other parts of the world are the "avian flu". First started in Hong Kong, this virus has spread too many other countries. Cancer is a disease that we have fought repeatedly. The most infamous type of cancer, the number killer of Americans

and perhaps the world, is lung cancer. Another problematic disease is diabetes. Fortunately, scientists who have studied diabetes have discovered a solution. Hopefully, as new diseases surface, more solutions will be invented.

Medical Treatments

Cancer can be treated on one of three ways. Surgery, which removes the tumor, is one alternative that depends on whether the cancerous growth is near vital organs. Another approach is using radiotherapy or chemotherapy. A biopsy, which is taking a small sample of the cancer for analysis, is used for diagnosis and for finding the proper treatment.

Statistics:

Cancer is the cause of 13% (about 7.6 million people) of deaths worldwide. According to the World Health Organization, the leading deaths are from cancers of the:

- Lung - 1.3 million deaths per year,
- Stomach - 1 million deaths per year,
- Liver - 662,000 deaths per year,
- Colon - 655,000 deaths per year,
- Breast - 502,000 deaths per year.

Unfortunately, over 40% of cancer can be prevented through changes in dietary and lifestyle habits and early detection. However, aging also plays a role in development of cancer.

Major Diseases in India

Malaria

With 1.5 million confirmed cases reported annually by the National Vector Borne Disease Control Programme, malaria is one of India's major public health problems. Health Minister Ghulam Nabi Azad revealed that 1,533,169 cases were reported in India in 2009. Malaria and other vector-borne diseases are the most widespread cause of death, disability and economic loss, especially among the poor, with limited access to healthcare facilities. Curable if effective treatment begins early, delay in treatment may even lead to death.

Tuberculosis

TB kills almost two million people globally per annum. One-third of the world's population (two billion) are infected with TB. India has an estimated 1.9 million cases annually – the world's highest TB burden with one-fifth of the global incidence. Despite some success achieved by the Revised National Tuberculosis Control Programme, TB mortality at 28 deaths per 100,000 population (2006) and a prevalence rate of 299 cases per 100,000 population (2006; WHO 2008 Global TB Report), India's TB statistics are on the higher side, as per global norms.

Diarrhoea

Worldwide, about 1.5 million children under five die of diarrhoea yearly (2004). While 38% deaths occurred in South Asia (2004), India had the highest death rates, as per the report – Diarrhoea: why children are still dying and what can be done – released by the UN and WHO. After pneumonia, diarrhoea is the second biggest killer among children under five globally. Its main dangers: death (via dehydration) and malnutrition. In a study titled 'Disease and economic burden of rotavirus diarrhoea in India,' the National Institute of Virology (NIV) has found that India spends more than Rs 3 billion each year in medical costs to treat the rotavirus diarrhoea. A key cause of diarrhoea, especially in young children, rotavirus infection usually occurs in winter. Common symptoms: severe vomiting, watery diarrhoea, and fever. The disease causes substantial mortality and morbidity for Indian children and is a significant economic burden. Shobha D Chitambar, Deputy Director, Enteric Viruses, NIV, says that annually, rotavirus diarrhoea caused an estimated 122,000- 153,000 deaths and 457,000-884,000 hospitalizations in children below five years.

Diabetes

Diabetes mellitus is separated into 3 categories, type 1, type 2, and gestational diabetes. All of the various types of diabetes have the same signs, symptoms, and consequences. However, they differ in causes and demographics. Type 1 diabetes is caused by the pancreas' inability to produce insulin. Type 2 diabetes is caused by insulin resistance from various tissues. Gestational diabetes, similar to type 2 diabetes occurs during pregnancy. Diabetes left untreated may lead to serious complications, which include, but are not limited to blindness, nerve damage, and micro vascular damage. Diabetic treatment includes a managed diet, exercise and the use of various oral diabetic drugs for type 2 diabetes or the use of insulin for type 1 diabetes.

Insulin

Dr. Fredrick Banting, a scientist that co-invented this medical breakthrough in 1934 along with his fellow student, Charles Best. Insulin is a protein or glucose that is injected in a diabetics' bloodstream. Many types of diabetes are treated with insulin. The rates of diabetic deaths are decreased with the help of insulin. Insulin is a hormone produced in the pancreas. However, some individuals are not able to produce insulin; therefore, it is provided for them.

Statistics

180 million people worldwide have diabetes and over 1.1 million died from diabetes in 2005. 80% of deaths occur in low and middle-income countries, and 55% of deaths occur among women. People with diabetes are twice as likely to die as healthy people. Diabetes leads to a plethora of diseases if left untreated, including:

- Blindness (Diabetic retinopathy) - 2% become completely blind, while 10% become severely visually impaired,
- Neural problems (Diabetic neuropathy) - 50% develop these problems,
- Kidney failure - 10 to 20% die of diabetes patients die of kidney failure,
- Heart disease and stroke - 50% of diabetes patients die of the aforementioned diseases,
- Breast - 502,000 deaths per year.

Future Scenario

The thought of prosthetic limbs that can be controlled by one's mind leads one to think of mere science fiction. Recent discoveries in innovative robotics have begun to tear down such preconceived notions. Research on such technology makes thought-controlled prosthetics limbs a likely reality in the near future of medicine. This technology is currently being tested by individuals like Jesse Sullivan who lost both of his arms in a power line accident in his hometown of Dayton. Traditional prosthetics rely on the use of chin switches and other levers to operate the mechanical limb. Dr. Todd Kuiken and his colleagues at the Rehabilitation Institute of Chicago developed a new concept. Severed nerves that once controlled are moved to muscles in the chest where they grow to gain control of his chest muscles. Sensors in the prosthetic limb pick up electrical signals and contractions in the muscles, which are translated to commands in the robotic limb. Such technology is far from perfection but opens up a world of possibilities for the future.

The restoration of vision through digital retina implants has become more than fiction. The design and creation of a 16 by 16 pixel digital retina has opened up new concepts and is being experimented upon for use on humans. The prototype demonstrates the possibility of artificial retinas with much higher resolutions and image-processing functions.

A major issue of contention, stem cells are unspecialized cells that can renew themselves through cell division and become cells with certain specific functions (such as in the heart, pancreas, spinal cord, etc.). Two types of stem cells are available: embryonic and adult, each of which has different functions. Embryonic stem cells are isolated from human embryos and can form into specialized cell types. Adult stem cells, which cannot alter their specialization, can be typically used to create replacement cells lost or damaged over time in a person's body. Stem cell therapy is still in the distant future, it seems to hold much promise. Recent research indicates that stem cells can be used to create blood cells of different blood types (e.g., A, O, B, etc.), sperm, heart valve cells, and a myriad of other cell types. In addition, many degenerative diseases like Parkinson's disease, diabetes and heart disease, can possibly be cured in the future through embryonic stem cells that become neurons. Likewise, stem cells may provide a safer alternative to testing experimental drugs. Stem cells remain a controversial issue but may ultimately hold the key to curing many incurable diseases today, and may be in future innovators may find the new technology to cure the diseases.

WHAT IS TOURISM?

"Tourism is the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business or other purposes is called Tourism". "Tourism is a dynamic and competitive industry that requires the ability to constantly adapt to customers' changing needs and desires, as the customer's satisfaction, safety and enjoyment are particularly the focus of tourism businesses".

Types of Tourism

- Inbound Tourism
- Outbound Tourism

Approaches in Attracting Tourists

People who canceled their vacations last year due to the economic downturn are pent up and eager to pack their bags. Destinations hope to capitalize on this year's upswing, so they are getting creative with their marketing campaigns. State tourism boards, city CVBs and tour companies are using fun themes, contests and social media to engage potential visitors. Alabama created a clever

campaign seven years ago, focusing on a select theme each year. 2010 is the “Year of Alabama Small Towns & Downtowns.” More than 200 communities from Mooresville, population 54, to Birmingham, the largest city with 300,000 are hosting festivals and unveiling historical markers in celebration. Past topics include the state’s history, sports, arts, outdoor attractions, food and gardens. Colorado, Oklahoma, South Carolina and Virginia are a sampling of the states running contests for getaway giveaways. In addition, tour companies are adding incentives and updating their itineraries to entice customers. They are adding exciting new destinations and activities to grab the public’s attention. The same old, same old will not do in a market where people are ready to take that long-awaited vacation, but are still cautious with their time and money. For links to convention and visitor bureaus, visit GroupawayTravel.com/cvb-links.

Medical Tourism Segments

The tourism Segments is divided into six different areas of activities:

- Accommodation,
- Food and Beverage Services,
- Recreation and Entertainment,
- Transportation,
- Travel Services,
- Medical Tourism.

The diversity of these six sectors shows that the career options in the tourism industry are unlimited. Depending on people interests and skills, you can work indoors or out, nine to five or midnight to noon. You can work in an office, an airport or out of your home. You can have one career in the winter and another in the summer. In short, you can make your career fit the lifestyle you want. Tourism areas in health sectors:

- Psychic holidays,
- Beauty holidays,
- Aging care holidays,
- Medical holidays,
- Physical holidays.

What is Medical Tourism?

Medical Tourism is new approaching coined by Medicine and Tourism; it is the practice of traveling to another country in order to receive medical attention may be it heart surgery, breast implants, a hip replacement, or dental work etc...”

Medical Tourism’ refers to patients going to a different country for an either urgent or elective medical procedure is fast becoming a worldwide, In India ‘medical tourism’ is growing at the rate of 30% a year and is expected to generate revenues of Rs.100 billion by 2012 as per the study conducted by CII and McKinsey.(CBC News,2004).

Even when you factor in airfare, hotels, travel insurance, car rentals, shopping, and dining, many medical vacations are substantially more affordable than domestic health care is. For example, a heart valve operation that might require \$100,000 in the States could cost well under \$10,000 in a country like India where lower labor costs help drive down the price considerably.

Medical Tourism Major Players

India offers world-class healthcare that costs substantially less than those in developed countries, using the same technology delivered by competent specialists attaining similar success rates A liver transplant costs in the range of Rs 60 lakhs-70 lakhs in Europe and double that in the US, but the Hyderabad based Global hospital has the wherewithal to do it in around Rs 15 lakh-20 lakhs. Similarly, a heart surgery in the US costing about Rs 20 lakhs is performed at the Chennai-headquartered Apollo Hospitals Group in roughly Rs 2 lakhs (The Hindu Business Line, 2007).

Table-1: Comparative Procedure Charges in India & US (US\$)

| Procedure | Cost (US\$) | |
|------------------------|---------------|--------|
| | United States | India |
| Bone Marrow Transplant | 2, 50,000 | 69,000 |
| Liver Transplant | 3, 00,000 | 69,000 |
| Heart Surgery | 30,000 | 8,000 |
| Orthopedic Surgery | 20,000 | 6,000 |
| Cataract Surgery | 2,000 | 1,250 |

Sources: www.medical-tourism-india.com

Foreigners account for almost 12% of the patients treated at the leading hospitals like Apollo, Escorts, and Hinduja etc. These hospitals have established distinct edge in surgical treatments. For instance, Apollo claims to have achieved 99.6% transplant success rate(www.apollo.com) and the death rate among patients during open heart operations performed at Escorts Heart Institute is 0.8% , which is less than half that of major hospitals in the U.S.(Hutchinson,2005).

COMPETING COUNTRIES

Countries that actively promote medical tourism include Cuba, Costa Rica, Hungary, India, Israel, Jordan, Lithuania, Malaysia, Singapore and Thailand. Belgium, Poland and Singapore are now entering the field. Thailand is a significant destination with six medical centers in Bangkok alone boasting of accreditation from the United States. Singapore alone attracted 250,000 medical tourists in the year 2005 (Hutchinson, 2005). South Africa specializes in medical safaris i.e. visit the country for a safari, with a stopover for plastic surgery, a nose job and a chance to see lions and elephants. Some of the significant leaders in medical tourism globally along with their specialization area have been summarized in the Table.

Table-2: Major Competing Countries

| Country | Specialization |
|-----------------------|---|
| Thailand | Eye surgery, Kidney dialysis, Organ transplantation etc. |
| India | Open heart surgery, hip & knee replacement, Bone Marrow Transplants, Cancer therapy, dentistry, cosmetic surgery. |
| Costa Rica, Argentina | Plastic Surgery. |
| South Africa | Cosmetic Surgery. |
| Hungary | Cosmetic & Dental Procedures. |
| Dubai | Largest international medical center “Dubai Healthcare City” to open by 2010, Tie-up with Harvard Medical School. |

Sources: Medical Tourism Growing Worldwide (Hutchinson, 2005)

SURGICAL TREATMENT SCENARIO IN INDIA

India has emerged as one of the prime countries in surgical treatment and a hot spot for medical tourism. This is possible because of the cost effective criteria with same level of expertise as provided by the west. Some of the major players that are promoting excellent surgical treatment and a key destination for medical tourism, Indian hospitals have in surgical treatments, its share in cord blood based transplants is a meager 0.25%. That is out of the 7000-8000 cord blood transplants worldwide since 1993, only 20 such transplants have done in India so far.(LifeCell,2005). Ayush & Allopathic system of Indian Medicine like Ayurveda, yoga, Unani is becoming more popular (Ayush) among foreigners who visit for medical tourism.

KARNATAKA STATE GOVERNMENT PLAN FOR MEDICAL TOURISM

The Karnataka government is planning two-mega health and heritage tourism projects in the state that would attract investments worth Rs 1,800-2,000 crore. Speaking to Business Standard Vinay Luthra, managing director, Karnataka State Tourism Development Corporation (KSTDC), said the state government was formulating a tourism policy in this regard and the policy was likely to get cabinet approval in the next 2-3 months. Under medical tourism, the government has proposed a Health City on 300 acres near the Bangalore International Airport to be developed in public-private partnership. The government would act as a facilitator and provide land while investment worth around Rs 1,000 crore would come from private players. The city will have super specialty hospitals for neurology, cardiology, and rehabilitation center for alcohol and drug addicts, Ayurveda hospital and hotels. It is likely to come up in the next 2-3 years. According to industry body, Association India's medical tourism sector is expected to grow at an annual rate of 30 per cent to become an Rs 9,500-crore industry by 2015.

Around 180,000 foreigners visited India for treatment in nine months and the number is likely to increase 22-25 per cent in the coming years. While a heart-valve replacement costs about \$0.2 million (around Rs 1 crore) in the US, in India it can be done in \$10,000 (around Rs 5 lakh), which also includes round-trip airfare. As part of heritage tourism, Karnataka is planning to promote a project at Hampi on 235 acres, said K Viswanatha Reddy, director, tourism department. The project will comprise a 5-star hotel with 200 rooms, budget hotel, restaurant, entertainment areas and other tourism-related activities. The project would attract investment worth Rs 800-1,000 crore. While the government would be a facilitator, investment would come from private developers.

According to reports, over five million foreigners visited India in 2007, of which at least three million visited heritage sites especially in the two southern states of Karnataka and Tamil Nadu. The share of cultural heritage tourism in the overall tourism figure in India is over 60 per cent.

Area of India is promoting the high-tech healing provided by its private health care sector as a tourist attraction. This budding trade in medical tourism, selling foreigners the idea of travelling to India for excellent medical treatment at lowest cost, really has attention in the overseas market. The Indian system of medicine, which incorporates Ayurveda, yoga, sidha, unani, naturopathy

and other traditional healing treatments, is unique and exotic. This medical expertise coupled with allopathic and other modern methods become our new focus segment to project India as a Global Healing Destination. If we believe the report published by McKenzie Consultants and Confederation of Indian Industries (CII), the response is quite positive and it could be generating revenue approximately Rs.100 billion by the year 2012. Our medical tourism provides low cost treatment. Perhaps you will wonder that the cost of same treatment in the US is ten times more than that in India.

Many state governments like Kerala, Andhra Pradesh, Uttaranchal, and Karnataka have been showcasing their medical tourism segment in certain focused market like the Gulf and African regions. (Gaur Kanchilal) 326 Indian private sector hospitals have undertaken massive investment in the area of health.

MEDICAL TOURISM OPPORTUNITIES IN INDIAN RURAL AREAS

Rural tourism has been identified as one of the priority areas for development of Indian tourism. Rural tourism experience should be attractive to the tourists and sustainable for the host community.

The 12th five-year Plan identified basic objectives of rural tourism as below:

- Identify major Circuits / Destinations having potential to attract large number of visitors for development in Mission Mode
- Develop Tourism Parks to be located in developed / underdeveloped / unexplored area of Tourist Interest.
- Identify clusters of villages having unique craft, ethnic art form for development as Tourism Products.
- Existing scheme of development of tourism circuits / destinations to continue.

Indian villages have the potential for tourism development. With attractive and unique traditional way of life, rich culture, nature, crafts, folklore and livelihood of Indian villages are a promising destination for the tourist. It also provides tourism facilities in terms of accessibility, accommodation, sanitation and security.

Rural tourism can be used to:

- Improve the wellbeing of the rural poor by identifying their craft work linked to tourism,
- Empower the rural people to enhanced rural tourism with natural habitations,
- Empower the women to start small tourist business,
- Enhance the rural infrastructure for accommodating and tapping tourism opportunities,
- Participate in decision-making and implementing tourism policies,
- Interaction with the outside world for promotion,
- Improve the social condition of lower sections of the society by encouraging to participate in rural potential tourist spots,
- Protection of culture, heritage, and nature linked to tourism.

All these can be enhanced by providing PURA (Providing Urban facilities in Rural Areas).

Futuristic Trend for Medical Tourism

Powerful trends are at work all around the India forcing changes in health care will be conceived and delivered in the decades ahead. The editors of Harvard Business Review have compiled a list of that will dramatically change unrecognized consequences.

- Innovation and demand soar in emerging economies,
- Personalized medicine and technological advances,
- Aging populations overwhelm the system,
- Rising costs,
- Global pandemics,
- Environmental challenges,
- Evidence-based medicine,
- Non-MDs providing care,
- Payers' influence over treatment decisions,
- The growing role of philanthropy,
- Prevention is the next big business opportunity,
- Medical tourism.

CONCLUSION

Medical Tourism break new ground in the medical industry, India offers new technology, alternative and experimental treatments, India has a broad spectrum of specializations including cardiology, cosmetic surgery, dentistry, ophthalmology, orthopedics, transplants and assisted reproduction. Nowadays, India remains a leading medical tourism country that promotes widely at both a governmental and private sector level as well as offering medical visas. These factors together have meant that India attracts around 450,000 medical tourists a year (From UK, USA and South Korea).

Cost savings are prominent as one can expect to save 58% when compared to the USA and 47% for the UK. Other driving factors are high quality of medical care, availability of treatments and reduced waiting times. By 2012, India aims to attract one million medical tourists. Medical tourism is a developing market with vast potentiality in India. The growing demand for medical treatments for which people travel has resulted in a development of various medical tourism products and the emergence of facilitators. Indian Hospitality is emerged in terms of their service quality and Patients Relationship Management (PRM), Doctors as well as nurses treat the patients' right manner with emotional attachment. Patients once psychological satisfied with hospitality service they may get cure with their sensible service.

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SERVPERVAL APPLICATION IN BANKING INDUSTRY

Dr. M. Bhuvaneswari⁹

ABSTRACT

Perceived value is defined as “the consumer’s overall assessment of the utility of a product based on perceptions of what is received and what is given”. Within this definition, four diverse meanings of value were identified: The various authors claimed, “What constitute value appears to be highly personal and idiosyncratic. In their studies, it is found that perceived quality leads to perceived value, which leads to purchase intentions. Moderating variables of perceived value include perceived sacrifice (non-monetary price), extrinsic attributes (i.e., reputation of the product/service) and intrinsic attributes (i.e., how the purchase makes you feel).

The value perceptions are situational and hinge on the context within which an evaluation judgment occurs and it rests mostly on the expectations of the customer from a product would vary not only across customers but also within the same customer over time: “Each customer represents a ‘segment of one-once’. The problem discussed in an empirical way as how to measure this perception and value of customers, which is a major phenomenon for framing strategies, and loyalty programs in service industries. With a view to finding a way for this, the study was developed with the use of a multidimensional scale called servperval scale. It is applied in the banking services sector and various related findings are presented.

KEYWORDS

Servperval, Banking, Services Industry etc.

INTRODUCTION

According to Zeithaml, perceived value is “the consumer’s overall assessment of the utility of a product based on perceptions of what is received and what is given” and Perception (from the Latin perception, ‘percipio’) is the organization, identification and interpretation of sensory information in order to represent and understand the environment. All perception involves signals in the nervous system, which in turn result from physical stimulation of the sense organs. Value is a mental estimation a person makes and as a concept, it is employed across disciplines and paradigms covering such subjects as Social Psychology, Social Sciences, Economics, Management, Marketing, Accounting and Finance. In the arts, several streams of literature have influenced the recent thinking on value. The three recent key perspectives on value in the marketing field includes perceived value, value of the customer to the firm, and creating and delivering customer value. [1] It also refers to a preferential judgment and refer to a criteria by which such judgments are made [2] In services value is defined as the worth of a specification or object, relative to an individual’s or organization’s needs at a particular time, less the costs involved in obtaining those benefits. Customer value is customer’s perceived preference for and evaluation of the product attributes performance and consequences arising from use that facilitate or block achieving goals and purposes in the situation. [10] Customer Value is market perceived quality and adjusted for the relative price of the product. It is the customer’s opinion about the product or service with the competitors. [11]

STATEMENT OF PROBLEM

Value is a concept purely dependent on the perception of the people. It is easily generalized in the product marketing because the product is very much in hand and it can be identified and felt by the naked eyes. However, the same is very difficult in services industries, since there is no definite or solid tangible proof. Therefore, value construction is very much essential and crucial in services marketing. To eliminate this problem marketers have identified various methods and strategies like customer relationship management, loyalty programs, value added services and various extensive promotion related measures. Nevertheless, even after all this whether their profit and customer satisfaction has increased or not is a great question for which there is no answer.

The increasing trend of various offers by the marketers proves that there still exists the vagueness of how to satisfy the customer and make them loyal. It has been found from the empirical studies that perception and value play an important role in service offerings measurement. Here the problem arises as how to measure this perception and value of customers and which is the major phenomenon for framing strategies and loyalty programs. One such study is Servperval scale. It is a multidimensional scale, which has 33 attributes related variables inclusive of seven different dimensions. This scale is applied for studying the banking services. To understand the salient features of the banking industry a brief history about that is presented.

A Brief Review of Banking Industry in India

With the growth in the Indian economy expected to be strong for quite some time especially in its services sector - the demand for banking services, like retail banking, mortgages and investment services are expected to be strong. One may also expect M&A,

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takeovers, and asset sales. Currently, India has eight scheduled commercial banks – twenty eight public sector banks (that is with the Government of India holding a stake), twenty nine private banks (these do not have government stake; they may be publicly listed and traded on stock exchanges) and thirty one foreign banks. They have a combined network of over 53,000 branches and 17,000 ATMs. According to a report by ICRA Limited, a rating agency, the public sector banks hold over 75 percent of total assets of the banking industry, with the private and foreign banks holding 18.2 per cent and 6.5 per cent respectively.

OBJECTIVES OF STUDY

- To determine the relevance of multi-dimensional scale as a measure of perceived value in banking industry.
- To find out the leading service organization based on the perceived value scale
- To identify which dimension is contributing more in banking sector.

RESEARCH METHODOLOGY

The present study is descriptive in nature. The methodology of the present study is outlined hereunder.

Population

Population for selecting sampling units of the study includes customers of the bank in and around the Coimbatore District and they contribute the units of population. From this population, the researcher is going to select the sample for the research.

Sampling Technique

Coimbatore district is the geographical region selected for conducting the research work. From the whole district, consumers of the select industry were grouped according to the convenience of the researcher. Therefore, from the total population, a sampling frame has been drawn with 5000 members.

From that, 250 respondents were selected for the study. The sampling technique used by the researcher is 'Stratified Random Sampling'. From the selected industry, the researcher identified five organizations as strata using the market share as a base. Finally, from each organization, 50 customers were drawn randomly. Hence, the total sample becomes 250 customers and they are selected as the respondents of the study.

Source, Tool and Method of Data Collection

The source of data collection is primary in nature. For collecting data from the sample respondents, a structured questionnaire is framed comprising various questions relating to demographic factors and the information related to industry in general with the inclusion of Servperval scale at the last. Here the organizations chosen were Bank of Baroda, Indian overseas bank, Indian bank, State bank of India, and Canara bank.

Tools of Analysis

Collected data is tabulated and analyzed with various statistical tools such as percentage analysis, cross tabulation of Likert scaling with regard to demographic factors, ANOVA, multiple regression, weighted average, Factor analysis and Correlation.

Framework of Analysis

Primary data was collected for analyzing the perceived value for the select service sector industry. It is analyzed with the help of related statistical tools and the relevant interpretations are presented. A brief presentation about the different variables in the scale under seven dimensions would help to understand the analysis properly. The list is provided below. The scale was developed by James F. Petrick for measuring perceived value. It has seven dimensions like Perceived quality, Emotional response, Monetary price, Behavioural price, Behavioural intentions, Satisfaction and Reputation. Totally, it has 33 variables and the measuring index is Likert scaling.

Table-1: Servperval Scale

| S. No. | Dimensions | Variables |
|--------|--------------------|---|
| 1. | Perceived quality | I did the right thing by admitting myself in to that Organization Easy to get the information Outstanding service Very reliable Very dependable |
| 2. | Emotional response | It made me feel good Very consistent |

| | | |
|----|-----------------------|--|
| | | It made me feel proud It gave me fulfillment It gave me confident It gave me happiness |
| 3. | Monetary price | A good decision Worth the money Fairly priced Economical Appears to be a good bargain |
| 4. | Behavioural price | Required little energy Easily bought Had good reputation Well respected Well thought of |
| 5. | Behavioural intention | Had status Reputable My choice of having service here was a wise one Reasonably charged This experience is what I exactly needed |
| 6. | Satisfaction | Satisfied my needs and wants Overall value of the service was high Comparatively the overall perceived value was high |
| 7. | Reputation | If I refer to somebody this will be my first choice I will pass positive information about this I will recommend this organization to others I will encourage my friends and relatives to have service here |

Sources: Authors Compilation

Table-2: Demographic Factors Tabulation

| Socio-Demographic Variables | Particulars | Frequency | % | Mean |
|-----------------------------|------------------|-----------|------|------|
| Gender | Male | 130 | 52.0 | 2.80 |
| | Female | 120 | 48.0 | 3.29 |
| Age | 20-25 | 98 | 39.2 | 3.21 |
| | 26-35 | 101 | 40.4 | 2.70 |
| | 36-45 | 46 | 18.4 | 3.26 |
| | 46 and above | 5 | 2.0 | 4.20 |
| Education | Under graduation | 103 | 41.2 | 2.88 |
| | Post graduation | 112 | 44.8 | 3.08 |
| | S.S.L.C | 31 | 12.4 | 3.32 |
| | H.S.C | 4 | 1.6 | 3.50 |
| Occupation | Self employed | 116 | 46.4 | 3.21 |
| | Professional | 106 | 42.4 | 2.79 |
| | Government | 25 | 10.0 | 3.12 |
| | Private | 4 | 1.2 | 4.33 |
| Experience | 5-10 years | 132 | 52.8 | 3.39 |
| | 10-15 years | 98 | 39.2 | 2.65 |
| | 15-20 years | 14 | 5.6 | 2.79 |
| | 20 and above | 6 | 2.4 | 2.17 |
| Income | ₹4000-5000 | 60 | 24.0 | 4.27 |
| | ₹5000-10000 | 132 | 52.8 | 2.81 |
| | ₹10000-15000 | 53 | 21.2 | 2.21 |
| | ₹15000 and above | 5 | 2.0 | 3.00 |

Sources: Authors Compilation

In the bank, the majority respondents are male with 52 percent. So the results may not be equally distributed. In the age category, the highest frequency occurs in the age group of 26-35 with 40 percent, which can be helpful in getting a matured response. With respect to educational qualification, the highest frequency falls in the post graduation category with 45 percent. So the scale variables are understood in a better manner. Self-employed persons constitute a major proportion with 46 percent, which is apt for the scale used in the study. In experience, variable 5-10 year sounds high with 52 percent.

Table-3: Weighted Average Score – Dimension of Servperval Scale in Banking Industry

| Sl. No. | Company Name | Dimension of Servperval Scale in Bank Industry | | | | | | | | | | | | | |
|---------|----------------------|--|-----------|-------------|-----------|-------------|-----------|-------------------|-----------|------------------------|-----------|--------------|-----------|-------------|-----------|
| | | Perceived | | Emotional | | Monetary | | Behavioural Price | | Behavioural Intentions | | Satisfaction | | Reputation | |
| | | Total score | WAS score | Total score | WAS score | Total score | WAS score | Total score | WAS score | Total score | WAS score | Total score | WAS score | Total score | WAS score |
| 1 | Bank of Baroda | 123 | 2.46 | 114 | 2.28 | 148 | 2.96 | 127 | 2.54 | 134 | 2.68 | 143 | 2.86 | 147 | 2.94 |
| 2 | Indian Overseas Bank | 129 | 2.58 | 111 | 2.22 | 131 | 2.62 | 106 | 2.12 | 119 | 2.38 | 130 | 2.6 | 138 | 2.76 |
| 3 | Indian Bank | 175 | 3.5 | 186 | 3.72 | 139 | 2.78 | 160 | 3.2 | 167 | 3.34 | 140 | 2.8 | 151 | 3.02 |
| 4 | State Bank of India | 122 | 2.44 | 122 | 2.44 | 128 | 2.56 | 133 | 2.66 | 140 | 2.8 | 130 | 2.6 | 137 | 2.74 |
| 5 | Canara Bank | 213 | 4.26 | 216 | 4.32 | 213 | 4.26 | 217 | 4.34 | 216 | 4.32 | 203 | 4.06 | 194 | 3.88 |

Sources: Authors Compilation

Weighted average scores were calculated for individual banking organization for different dimensions of perceived value and the same are portrayed in the above table. In banking sector, the highest score is in Canara bank followed by Indian Bank (3.5) and lowest is in State Bank of India (2.44) with regard to perceived quality. In emotional value, the highest score is in the Canara bank (4.32) followed by Indian bank (3.72) and lowest in Indian overseas bank (2.22). In monetary price the highest score is in the Canara bank (4.26) followed by Bank of Baroda and lowest is in State bank of India (2.56). In behavioural price the highest is in the Canara bank (4.34) followed by Indian bank (3.2) and lowest is in the Indian overseas bank. In behavioural intentions the highest score is in Canara bank (4.32) followed by Indian bank and lowest is in the Indian overseas bank. In satisfaction the highest score is in Canara bank (4.06) followed by Bank of Baroda (2.86) and the lowest is in Indian overseas bank and State bank of India (2.6) and in reputation the highest score is in Canara bank (3.88) followed by Indian bank and the lowest is in State bank of India (2.74). From the table it is found that Canara bank followed by Indian bank rates high in the perceived value scale.

Table-4: Multiple Regression Analysis – Banking Industry

| Sl. No. | Variables | Mean | S.D | Standardized Coefficients | T-Value | P-Value | S/Ns |
|---------|------------------------|--------|--------|---------------------------|---------|---------|------|
| | | | | Beta | | | |
| | (Constant) | - | - | - | 35.334 | ** | S |
| 1 | Perceived Quality | 20.800 | 3.3558 | .149 | .175 | ** | S |
| 2 | Emotional Response | 23.048 | 4.7089 | .264 | .203 | ** | S |
| 3 | Monetary Price | 18.552 | 4.2962 | .228 | .183 | ** | S |
| 4 | Behavioural Price | 18.604 | 4.3427 | .211 | .227 | ** | S |
| 5 | Behavioural Intentions | 19.192 | 4.5508 | .246 | .167 | ** | S |
| 6 | Satisfaction | 11.592 | 2.7231 | .132 | .145 | ** | S |
| 7 | Reputation | 15.956 | 3.3835 | .207 | .186 | ** | S |

Note: ** - Significant at 1 percent level

* - Significant at 5 percent level

Sources: Authors Compilation

Table-5: Goodness of Fit

| R | R ² |
|------|----------------|
| .968 | .938 |

Sources: Authors Compilation

Table-6: Anova

| | Sum of Squares | Df | Mean Square | F | P-Value | S/Ns |
|------------|----------------|-----|-------------|---------|---------|------|
| Regression | 485.280 | 7 | 69.326 | 519.088 | .000** | S |
| Residual | 32.320 | 242 | .134 | | | |
| Total | 517.600 | 249 | | | | |

Note: **P<0.01 *P<0.05 S-Significant NS – Not Significant

Sources: Authors Compilation

To understand the influence of different dimensions of perceived value on overall opinion of the respondents about the perceived value of the services of banking industry, a multiple regression test is applied. The relevant statistics are presented in above table. It shows that, the multiple linear regression coefficients (dependent variable) are found to be statistically a good fit as R² is .968. It means that independent variables contributes about 96.8% of variation in the opinion about overall perceived towards sample respondents and this is statistically significant at 1% level. The data further indicates that the coefficient of Perceived quality (t - .175, P-value 0.000 p<0.01), Emotional response (t - .203, P-value 0.000 p<0.01), Monetary price (t - .183, P-value 0.000 p<0.01),

Behavioural price (t - .227, P-value 0.000 $p < 0.01$), Behavioural Intentions (t - .167, P-value 0.000 $p < 0.01$), satisfaction (t - .145, P-value 0.000 $p < 0.01$) and Reputation (t - .186, P-value 0.000 $p < 0.01$) are positively associated with the overall opinion about perceived value. It indicates that all the variables namely Perceived quality, Emotional response, Monetary price, Behavioural price, Behavioural Intentions, satisfaction and Reputation are statistically significant implying their positive influence on overall perceived value is stronger than other variables. R^2 is calculated to ascertain the goodness of fit of the regression equation. The R^2 has been found to be significant at 1% level. Thus from the above table the overall perceived value by the bank sector is positively associated with Perceived quality, Emotional response, Monetary price, Behavioural price, Behavioural Intentions, satisfaction and Reputation.

Table-7: Inter-Correlation Matrix Overall Opinion about Perceived Value Through Servperval Scale In Banking Sector

| | Total Score | X ₁ | X ₂ | X ₃ | X ₄ | X ₅ | X ₆ | X ₇ |
|----------------|-------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Total Score | 1.000 | | | | | | | |
| X ₁ | .655 | 1.000 | | | | | | |
| X ₂ | .773 | .554 | 1.000 | | | | | |
| X ₃ | .758 | .499 | .595 | 1.000 | | | | |
| X ₄ | .763 | .399 | .490 | .593 | 1.000 | | | |
| X ₅ | .704 | .363 | .491 | .464 | .558 | 1.000 | | |
| X ₆ | .705 | .330 | .559 | .496 | .463 | .515 | 1.000 | |
| X ₇ | .720 | .414 | .484 | .446 | .527 | .470 | .573 | 1.000 |

Note: ** $P < 0.01$ * $P < 0.05$

Sources: Authors Compilation

To know the existing relation among the study variables namely perceived quality, emotional response, monetary price, Behavioural price, behavioural intentions, satisfaction and reputation, inter-correlation analysis is done and the results are given in Table 4.1.27. It is clear from the table that the variables selected for the study are significantly correlated with the overall opinion about perceived value of Perceived quality ($r = 0.655$, $p < 0.01$), Emotional response ($r = 0.773$, $p < 0.05$), Monetary price ($r = 0.758$, $p < 0.05$), Behavioural price ($r = 0.763$, $p < 0.05$), Behavioural Intentions ($r = 0.704$, $p < 0.05$), satisfaction ($r = 0.705$, $p < 0.05$) and Reputation ($r = 0.720$, $p < 0.05$). Hence, all the explanatory variables are highly significant and positive. Further it is also seen that all these explanatory variables are highly, significantly and positively correlated with the dependent variable connected.

Dimensionality of Multi-Scale Items (Factor Analysis)

Table-8: Mo and Bartlett's Test for Factor Loading of Perceived Value in Banking Industry

| | |
|---|----------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy | .879 |
| Bartlett's Test Of Sphericity: Approx. Chi-Square | 4331.432 |
| Df | 528 |
| Sig | .000 |

Sources: Authors Compilation

From the above table, two tests namely, Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) & Bartlett's Test of Sphericity have been applied to test whether the relationship among the variables has been significant or not. The Kaiser-Meyer-Olkin Measure of sampling adequacy shows the value of test statistics is 0.879, which means the factor analysis for the selected variable is found to be appropriate or good to the data. It shows that there exists a high relationship among variables.

Table-9: Eigen Values and Proportion of Total Variance of Each Underlying Factors for Perceived Value in Banking Sector

| Component | Initial Eigen Values | | | Extraction Sums of Squared Loadings | | | Rotation Sums of Squared Loadings | | |
|-----------|----------------------|---------------|--------------|-------------------------------------|---------------|--------------|-----------------------------------|---------------|--------------|
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1 | 11.132 | 33.732 | 33.732 | 11.132 | 33.732 | 33.732 | 11.132 | 33.732 | 33.732 |
| 2 | 2.226 | 6.745 | 40.477 | 2.226 | 6.745 | 40.477 | 2.226 | 6.745 | 40.477 |
| 3 | 1.913 | 5.796 | 46.272 | 1.913 | 5.796 | 46.272 | 1.913 | 5.796 | 46.272 |
| 4 | 1.749 | 5.300 | 51.573 | 1.749 | 5.300 | 51.573 | 1.749 | 5.300 | 51.573 |
| 5 | 1.499 | 4.541 | 56.114 | 1.499 | 4.541 | 56.114 | 1.499 | 4.541 | 56.114 |
| 6 | 1.288 | 3.903 | 60.017 | 1.288 | 3.903 | 60.017 | 1.288 | 3.903 | 60.017 |
| 7 | 1.191 | 3.608 | 63.625 | 1.191 | 3.608 | 63.625 | 1.191 | 3.608 | 63.625 |

Extraction Method: Principal Component Analysis

Sources: Authors Compilation

The results of the factor analysis presented in the above table regarding opinion about perceived value in banking sector, have revealed that there are seven factors that had Eigen value exceeding “one”. Among those seven factors, the first factor accounted for 33.73% of the variance, the second 6.75%, the third factor 5.8%, the fourth factor 5.3 per cent and the fifth factors accounted for 4.54 percent, the six factor 3.9% and the seventh factor 3.61% of the variance in the data set. The first seven factors are the final factors solution and they all together represent 63.625% of the total variance in the scale items measuring the perceived value in bank. Hence, from the above results the contributing factors for perceived value in banking sector is found.

Table-10: Factor Loading of Perceived Value in Banking Sector Measurement Scale Items on Extracted Factors

| Variables | Factor I | Factor II | Factor III | Factor IV | Factor V | Factor VI | Factor VII | C ² |
|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|
| X21 | .734 | .135 | .124 | .210 | .059 | .171 | .141 | 0.669 |
| X20 | .724 | .245 | -.007 | .226 | .050 | .088 | .148 | 0.667 |
| X22 | .708 | .073 | .303 | .165 | -.003 | .127 | .096 | 0.651 |
| X19 | .672 | .424 | .126 | .132 | .111 | .039 | .017 | 0.679 |
| X23 | .622 | .002 | .500 | .021 | .126 | .052 | .127 | 0.672 |
| X16 | .202 | .716 | -.048 | .146 | .092 | .127 | .097 | 0.611 |
| X15 | .171 | .675 | .234 | .114 | .224 | .118 | .051 | 0.619 |
| X17 | .406 | .666 | .145 | .042 | .213 | .020 | -.018 | 0.677 |
| X14 | .016 | .635 | .253 | .166 | .121 | .260 | .167 | 0.605 |
| X18 | .447 | .550 | .073 | .104 | .216 | .007 | .055 | 0.568 |
| X13 | -.038 | .520 | .420 | .097 | .166 | .221 | .198 | 0.573 |
| X12 | -.008 | .494 | .371 | .164 | -.158 | .320 | .389 | 0.687 |
| X25 | .125 | .180 | .722 | .154 | .123 | .157 | .094 | 0.642 |
| X24 | .320 | .121 | .682 | .105 | .143 | .214 | .056 | 0.663 |
| X27 | .109 | .228 | .637 | .240 | .296 | -.110 | .123 | 0.642 |
| X26 | .192 | .091 | .631 | .145 | .120 | .048 | .218 | 0.529 |
| X30 | .071 | .243 | .011 | .764 | .131 | -.045 | .158 | 0.692 |
| X31 | .417 | .009 | .062 | .660 | .132 | .200 | .036 | 0.672 |
| X32 | .287 | -.019 | .284 | .622 | .035 | .336 | .055 | 0.667 |
| X29 | .112 | .184 | .238 | .604 | .289 | -.271 | .113 | 0.638 |
| X33 | .287 | .128 | .279 | .591 | .035 | .209 | .133 | 0.588 |
| X28 | .027 | .273 | .436 | .534 | .245 | -.042 | .176 | 0.643 |
| X6 | .105 | .221 | .224 | .128 | .698 | .134 | .139 | 0.651 |
| X7 | .198 | .201 | .196 | .047 | .644 | .133 | .191 | 0.589 |
| X5 | -.020 | .135 | .064 | .262 | .625 | .270 | .152 | 0.578 |
| X4 | .034 | .109 | .128 | .138 | .560 | .475 | .043 | 0.590 |
| X3 | .052 | .064 | .050 | .110 | .355 | .711 | .104 | 0.664 |
| X2 | .163 | .177 | .167 | .095 | .203 | .705 | .005 | 0.633 |
| X1 | .180 | .221 | .039 | -.070 | .045 | .633 | .136 | 0.509 |
| X10 | .119 | .073 | .111 | .153 | .190 | .097 | .783 | 0.714 |
| X9 | .254 | .060 | .108 | .109 | .356 | .025 | .717 | 0.733 |
| X11 | .068 | .368 | .364 | .089 | -.159 | .097 | .568 | 0.638 |
| X8 | .105 | .118 | .238 | .180 | .440 | .154 | .556 | 0.640 |

Sources: Authors Compilation

It is clear from the below table that the important determinants in factor 1 are X (21), X (22), X (20), X (19), and X(23) which comes under the dimension of behavioural price and behavioural intentions. The second factor extracted were X (16), X (15), X (17), X(14), X(18), X (13) and X (12) which comes under the dimensions of monetary price and behavioural price. The third extracted factor was X (25), X (24), X (27), and X (26) which comes under the dimensions of behavioural intentions and satisfaction. The fourth factor extracted were X (30), X (31), X (32), X (29), X (33) and X (28) which comes under the dimensions of reputation and satisfaction. The fifth factor extracted was X (6), X (7), and X (5), and X (4) which comes under the dimensions of emotional value and perceived quality. The sixth factor extracted was X (3), X (2), and X (1) which comes under the dimension of perceived quality. The seventh factor extracted was X (10), and X (9), X (11), and X (8) which comes under the dimensions of emotional value.

$$(X_{21})^2 = .734 = .538756 = 53.87 \text{ per cent}$$

When these variables are calculated in percentages, in factor 1 X (21) = 53.87 percent, X (20) = 52.41 percent, X (22) = 50.12 percent, X (19) = 42.12 percent, and X (23) = 38.68 percent respectively. In the second factor the highest extracted percent is 51.26 percent, in third factor the highest extracted percent is 52.12, the fourth factor the highest percentage extracted is 58.36 percent, in the fifth factor the highest extracted percent is 48.72 percent, in the sixth factor the highest percent extracted is 50.55,

in the seventh factor the highest extracted percent is 61.30 percent. The above table shows the Factor Extraction Process, it was performed by Principal Component Analysis to identify the number of factors to be extracted from the data and by specifying, the most commonly used Varimax rotation method. In the principal component analysis, total variance in the data is considered. The proportion of the variance is explained by the seven factors in each variable. The proportion of variance is explained by the common factors called communalities of the variance. Principal Component Analysis works on initial assumption that all the variance is common. Therefore, before extraction the communalities are all 1.000. Then the most common approach for determining the number of factors to retain i.e., examining Eigen values was done. Thus, the seven variables in the data were reduced to two-factor model and each factor may be identified with the corresponding variables as follows:

Table-11: Showing Factors Identified Against Statements Showing Opinion about Perceived Value in Banking Industry

| Items | Extraction Value | Factor Position | Dimensions |
|-------|------------------|-----------------|------------------------|
| X21 | .734 | FACTOR I | Behavioural price |
| X20 | .724 | | Behavioural price |
| X22 | .708 | | Behavioural intentions |
| X19 | .672 | | Behavioural price |
| X23 | .622 | | Behavioural intentions |
| X16 | .716 | FACTOR-II | Monetary price |
| X15 | .675 | | Monetary price |
| X17 | .666 | | Behavioural price |
| X14 | .635 | | Monetary price |
| X18 | .550 | | Behavioural price |
| X13 | .520 | | Monetary price |
| X12 | .494 | | Monetary price |
| X25 | .722 | FACATOR – III | Behavioural intentions |
| X24 | .682 | | Behavioural intentions |
| X27 | .637 | | Satisfaction |
| X26 | .631 | | Behavioural intentions |
| X30 | .764 | FACTOR – IV | Reputation |
| X31 | .660 | | Reputation |
| X32 | .622 | | Reputation |
| X29 | .604 | | Satisfaction |
| X33 | .591 | | Reputation |
| X28 | .534 | | Satisfaction |
| X6 | .698 | FACTOR – V | Emotional value |
| X7 | .644 | | Emotional value |
| X5 | .625 | | Perceived quality |
| X4 | .560 | | Perceived quality |
| X3 | .711 | FACTOR – VI | Perceived quality |
| X2 | .705 | | Perceived quality |
| X1 | .633 | | Perceived quality |
| X10 | .783 | FACTOR – VII | Emotional value |
| X9 | .717 | | Emotional value |
| X11 | .568 | | Emotional value |
| X8 | .556 | | Emotional value |

Sources: Authors Compilation

Table-12: Direct and Indirect Effects of Independents Variables on Banking Industry

| S.No. | Ratio | Standardized Coefficients - Beta |
|-------|------------------------|----------------------------------|
| 1 | Perceived quality | .149 |
| 2 | Emotional response | .264 |
| 3 | Monetary price | .228 |
| 4 | Behavioural price | .211 |
| 5 | Behavioural Intentions | .246 |
| 6 | Satisfaction | .132 |
| 7 | Reputation | .207 |

Sources: Authors Compilation

It can be observed from table-12, the following independent factors have significant correlation co-efficient with the ratio of return on total assets; X₁- Perceived quality (0.149), X₂- Emotional response (0.264), X₃- Monetary price (0.228), X₄- Behavioural price (0.211), X₅- Behavioural Intentions (0.246), X₆- Satisfaction (0.132) and X₇- Reputation (0.207) and other variables have

contributed directly towards the overall opinion about perceived value through SERVPERVAL scale whereas it is also indirectly reasonable when the respective variable is combined with other indirect effects but it is found to be statistically not significant. Finally, an insight this reveals that all the variables contributes towards increase the perceived value of banking sector.

MAJOR STATISTICAL FINDINGS OF BANKING INDUSTRY

- In gender, the male respondents are more in number and satisfied with the various banking services. However, female gender's expectations are more.
- In age category the 26-35 group is found to be high and they are satisfied with the various banking services.
- Post graduation contributes high in sample and disagree scale value is more. So it is found that these people are not satisfied with so many factors. However, undergraduates are satisfied and their scale value is high in strongly agree which shows that they are satisfied with most of the services.
- Self-employed persons contribute high in sampling and these people are not satisfied with various services because the scale value shows high in disagree category.
- The 5-10 years' experience respondents are more and they are not satisfied with the various services because their scale value is high in disagree category.
- In the organization sector, the highest scale value is in the category of disagree particularly in Canara bank. This bank has to concentrate more in the various services.
- The 5000-10000 income group of respondents are more in sample and the scale value is high in neither agree nor disagree category. So they are not fully happy with the various services offered.
- In usage the 2 years and above group is more and the scale value found to be high in disagree category which says that the expectations are more in this group.
- In the factor analysis the highest factor extracted in the variables are Well thought of, Had status, Well respected, Had good reputation, and Reputable which falls in the dimensions of behavioural price and behavioural intentions.
- It is found that the coefficient of Perceived quality, Emotional response, monetary price, Behavioural price, Behavioural Intentions, satisfaction and Reputation are positively associated with the overall opinion about perceived value.

IMPORTANT SUGGESTIONS

In banking industry, percentage analysis shows that perceived value is high among male respondents than female respondents. Thus, it could be suggested that there is a need for the banking organizations to go for special schemes for attracting female customers. As majority of the customers are highly educated, there is a strong association between educational status of the customers and impact of perceived value. Thus, we could suggest that banking industries must go for plans to attract highly educated customers. By way of giving special offers to educational institutions, multi-national corporations and government organization, banks could have educated people as their customers.

Customers experience in their work seems to influence the perceived value in banking industry and therefore, to satisfy the customers and improve their perceived value, banking organization must give importance to customers experience at the time of account opening, loan dispersal and investing funds. This would be highly useful for the organization to improve their image among the customers. Income of customers does not have any positive influence on the impact of perceived value in banking industry. Therefore, age level segmentation is not necessary for the banking institutions to their policy measures.

Service utilization and impact of perceived value are significantly associated with each other in banking industry. Hence, banking organizations must take special efforts to retain the customers, so that their perceived value may increase according to their service utilization. Individual banking scores of perceived value is comparatively high in Canara Bank and Indian Bank. Therefore, the other three banks viz., State Bank of India, Indian Overseas Bank and Bank of Baroda must improve the overall scores of perceived value by offering proper and relevant services their customers. Bank of Baroda, State Bank of India and Indian Overseas Bank must change their plans and policies, so that it could improve the emotional value aspect of perceived value of their customers. In Indian Bank, State Bank of India and Indian Overseas Bank, the monetary price aspect of perceived value is comparatively low and therefore, these two banking organizations should take steps for improving services.

Indian Overseas Bank, Bank of Baroda and State Bank of India's customers are receiving lowest levels of behavioural price, reputation and behavioural intension aspects of perceived value. Thus, these organizations must improve their services towards these two aspects of perceived value. Indian Bank, Indian Overseas Bank and State Bank of India are satisfying their customers in a very low level and hence, satisfaction aspect of perceived value must be improved in these three banks. Perceived quality, Emotional response, monetary price, Behavioural price, Behavioural Intentions, satisfaction and Reputation are positively influencing the perceived value of customers in banking institutions. Therefore, all the banking organizations selected for the study should change their policies by improving all these aspects of perceived value in their services.

CONCLUSIONS

The study reveals that female gender and the young age group have more expectations. The highly extracted scale in factor analysis is behavioural intentions and behavioural price, which is associated with the fact of high level of respondents in the post graduation. The Canara Bank shows a high level of perceived value with regard to all the dimensions.

Overall, the study explains how much ever as organizations we do people still have a want, which in future becomes an expectation. This study gives scope for a further study wherein each industry can be separately concentrated and related ideas can be interpreted. This scenario of expectation will be changing and adding day by day. So accordingly, the marketers have to adjust themselves to withstand competition.

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FACTORS INFLUENCING THE CUSTOMERS' SATISFACTION AT COMMERCIAL BANKS: AN ANALYTICAL STUDY

P. Rajendran¹⁰ Dr. M. Syed Ibrahim¹¹

ABSTRACT

The banking industry like many other financial services industries is facing a rapidly changing market, new technologies, economic uncertainties, fierce competition, and especially more demanding customers; and the changing climate has presented an unprecedented set of challenges. Customer service is one integral part of any facet of banking and it defines future of any banking organization. In banking sector, the whole range of activity and generation of income swivels around the customer. It is necessary to identify the key success factors in the banking industry, in terms of customer satisfaction with the help of important factors viz. keeping assurance, reliability, responsiveness, physical facilities and empathy, keeping in view the increasing market size and intense competition. This present study on factors influencing the customer satisfaction of commercial banks in Tamil Nadu. SERVQUAL scale was used to determine customer satisfaction. The results revealed that 'Responsiveness' was the main dimension governing customer satisfaction of Commercial Banks in Ramanathapuram district, Tamil Nadu.

KEYWORDS

Customer Satisfaction, SERVQUAL, Assurance, Reliability, Responsiveness, Physical Facilities, Empathy etc.

INTRODUCTION

Business firms realize that marketing is a core element of management philosophy and key to its success lies in focusing more and more on the customers. The customer decides where the firm is hedging. Thus, the main challenge before the marketers is to identify what would appeal and convince the customer and ensure that customers need, want and demands are satisfied. Today customer looks out value for money, therefore marketers are trying to enhance the concept or value through unique delivery methods. They realize that product services, characteristics, customer's aspirations, perceptions and the availability of competing alternatives can be used to check customer satisfaction.

All the services and facilities provided by the commercial banks play important role for measuring the level of the customer satisfaction and quality of services. In this research, researcher has tried to investigate the expectation and perception of the customer of State Bank of India, who avail the services of commercial banks by using the services quality model. The whole study is carried out using SERVQUAL based on the five dimension viz., assurance, reliability, responsiveness, physical facilities and empathy.

RELATED REVIEWS

To study the customer satisfaction in commercial banks researcher works undertaken by eminent persons in the area of modern services, the factors, which influence the customers' satisfaction, to deliver superior quality of service, have been reviewed to test the validity of the research. Critical success factor method is used to identify those factors that are critical to a project and need to be addressed in order to achieve some level of success (Rockart, 1979). From the early development of the concept the CSF method, the IS implementers have identified specific CSF: Information systems executives (Poon and Wagner, 2001); Total quality management (Silaa and Ebrahimpourb, 2003); IS downsizing (Udo and Kick, 1997); requirements gathering (Havelka and Lee, 2002); software maintenance (Sneed and Brossler, 2003); decision support systems (Averweg and Erwin, 1999) and client relationship management (Croteau and Li, 2003). In the case of commercial banks, the CSFs have been identified with the help of previous studies (Zhang et al., 2003; Eid et al., 2002; (Allen et al., 2002); (Teo and Ang 1999); (Poon and Wagner 2001); (Wali et al., 2003); (Yusof and Aspinwall 2000).

STATEMENT OF THE PROBLEM

The customers of the service sector especially in the banking industry have become more educated and they expect standard services and superior quality, which would lead to their delight. They expect not only core and value added services from the banks but also personalized services. Though the expected services to serve this purpose of customer satisfaction, it seems many banks are not implementing it properly. Therefore a study on the factors influencing the customer satisfaction in the banking industry is needed to explore the keeping assurance, reliability, responsiveness, physical facilities and empathy, keeping in view in the banking industry, these aspects have not been explored so far in the District of Ramanathapuram. Hence, the present study is making an attempt in this direction to solve the stated problems.

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OBJECTIVES OF THE STUDY

The present investigation has the following objectives:

- The study on factors influencing the customer satisfaction of commercial banks in Tamil Nadu
- To examine the role of customers in the assessment of service quality in Commercial banks at Ramanathapuram District, Tamil Nadu.
- To know the customer satisfaction / dissatisfaction which is directly related on expected and actual service quality experienced in bank.

RESEARCH METHODOLOGY

In the present study, the analytical type research designs have been administered. The study is based on primary and secondary data. Primary data has been calculated from persons having account of Commercial Banks in Ramanathapuram district by filling up well-structured questionnaire and through personal meeting with customer. Secondary data was collected from website of commercial banks magazine and journals.

Sampling Procedure

In total, there are 65 branches of Commercial Banks in the district⁴. From each branch, five customers are identified with the help of the bank managers as the sample of the study. Out of the 325 sample customers, only 305 were responded fully and returned the filled questionnaire. Thus, a total of 305 customers are the real sample of the present study. The applied sampling technique of the present study is convenience-sampling method has been used for sampling procedures.

FACTORS OF SERVICES QUALITY

The factors of customer satisfaction of services quality was originally introduced by Parasuramn Valerie Ziethaml and Leonard berry in 1995 in the arc of service quality. SERVQUAL was developed based on the view of the customer's assessment. This assessment was conceptualized as a gap between customer's expectations by way of SERVQUAL from a class of service providers and their evaluation of the performance of a particulars service provider. SERVQUAL are widely used in variety of studies that include public services, higher education, hotel, banking, consulting, tourism, marketing, and hospital and telecommunication industry.

Physical Facilities

Physical facilities refers 'representing service physically'. In it modern looking equipment visually appealing physical facilities, goods and lucrative form of pamphlets / proformas / statements are involved. The customers to evaluate the quality of service use all these physical facilities.

Reliability

Reliability means 'delivering of promises'. Reliability can be defined as the ability to perform the promised services accurately and timely. Customers want to do business with these consumers who keep their promises, especially promises about their core services.

Responsiveness

Responsiveness means 'willing to help the customers'. Responsiveness can be defined as employees willing to help the customers and giving the services promptly and within time. This dimension emphasize on attentiveness and promptness in dealing with customers request, question complains and problems.

Assurance

Assurance means 'inspiring trust and confidence'. Assurance can be defined as employee's knowledge of the firm if employees have capacity to inspire trust and confidence to the customers. Customers want to do transaction if they feel safe.

Empathy

Empathy means 'treating individually'. Empathy can be defined as the casing individualized attention the firm provides its customers. Employees should understand the specific needs of their customers.

RESULTS AND DISCUSSION

Table-1 presents the overall satisfaction / dissatisfaction of the customers towards Commercial Banks, Amanathapuram district.

Table-1: Customer Satisfaction / Dissatisfaction

| S. No. | Satisfaction / Dissatisfaction | Respondents | Percentage |
|--------|--|-------------|------------|
| 1 | Satisfied with the transacting bank | 83 | 27.22 |
| 2 | Dissatisfied with the transacting bank | 222 | 72.78 |
| | Total | 305 | 100 |

Sources: Primary Data

The above table clearly indicates that most of the respondents (72.78 per cent) were dissatisfied with the services offered by their transacting bank and a few (27.22 per cent) respondents only were satisfied with the said banks services.

Table-2: Service Quality Assessment of Satisfied Customers

| S.No. | Services Quality Dimension | Expected (%) | Actual (%) |
|-------|----------------------------|--------------|------------|
| 1 | Physical facility | 77.71 | 39.75 |
| 2 | Reliability | 80.72 | 48.19 |
| 3 | Responsiveness | 80.24 | 46.26 |
| 4 | Assurance | 77.34 | 51.32 |
| 5 | Empathy | 77.34 | 44.61 |

Sources: Primary Data

The above table despite that most of the respondents (80.72 per cent) were satisfied with the services offered by the bank viewed their expected service quality from an 'Excellent' bank based on reliability of bank's staff. However, perception of actual service in the transacting bank was very low (48.19 per cent).

Similarly, the percentage of satisfied respondents who assessed other dimensions of expected and actual service qualities were 80.24 per cent and 46.26 per cent towards responsiveness, 77.71 and 39.75 per cent towards physical facilities, 77.34 per cent and 51.32 per cent towards assurance, 77.34 per cent and 44.81 per cent towards empathy, respectively.

Table-3: Services Quality Assessment of Dissatisfied Customers

| S.No. | Services Quality Dimension | Expected (%) | Actual (%) |
|-------|----------------------------|--------------|------------|
| 1 | Physical facility | 80.06 | 54.5 |
| 2 | Reliability | 84.23 | 63.66 |
| 3 | Responsiveness | 88.37 | 61.8 |
| 4 | Assurance | 85.40 | 64.05 |
| 5 | Empathy | 84.05 | 59.81 |

Sources: Primary Data

While most of the dissatisfied customers, 88.37 per cent attributed responsiveness as the main dimension of services quality expected from bank, the corresponding response in the same dimension as perceived by the customers through this actual experience in the transacting bank was much lower 61.80 per cent.

Similarly, the expected and actual services qualities assessed by the above-dissatisfied customers on other dimension were 85.40 per cent and 64.05 per cent towards assurance, 84.23 per cent and 63.66 per cent towards reliability, 84.05 per cent and 59.81 per cent towards empathy, 80.06 per cent and 54.50 per cent towards physical facilities respectively.

The above given table analyses proves that, while making an assessment of customer's response with regards to his/her overall satisfaction or dissatisfaction with the transacting bank's services, it was found that most of the customers 78.78 per cent were dissatisfied, while only 27.21 per cent customers were satisfied. The interpretation was based on the services quality assessment made by both dissatisfied and satisfied customers. Customers who were dissatisfied considered the responsiveness dimension of services quality to be more important than other dimension. However, on all the dimension of the services quality the transacting bank was perceived to be poor than the corresponding service offered by the bank.

CONCLUSION

Finally, the present research paper concludes that the overall satisfaction or dissatisfaction of customers with regards of expected and actual services quality have been analyzed and expressed dissatisfaction with the services offered by the bank. The dissatisfied customers attributed responsiveness dimension of service quality as the major lacuna with the transacting bank.

Among the satisfied customers too, there existed a disparity between the expected and actual service quality experienced at the transacting bank. These customers suggested that the bank is yet to instill confidence among the customers that it has the ability to provide excellent services dependably and accurately.

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IMPACT OF TELEVISION ADVERTISEMENT ON CONSUMERS' PERCEPTION AND ATTITUDE IN LUCKNOW: AN EMPIRICAL STUDY

Preeti Srivastava¹² Raman Kumar¹³

ABSTRACT

The role of advertising is very crucial. Besides the objective of informing, the television commercial advertisements are doing a lot more for every company. This paper aims at identifying the impact and influence of such television commercial ads on consumers' minds and knowing the pre and post consumers' attitude for a product advertised on television. The study also tries to know whether any change occurs in consumers' attitude or not before and after the advisement of any product and understand the reason behind such change in consumer's attitude for any product. The study will also try to understand the gender based socio-demographic impact of television ads.

KEYWORDS

Television Ads, Branding, Consumer's Attitude, Perception etc.

INTRODUCTION

Every piece of information is a powerful weapon. Developing good image and forming positive attitude in the minds of consumers require the finest job of marketers. After enormous efforts and creativity, any marketer manages to produce the desirable marketing information, which the target customers like, admire and accept. Attitude might change because of information and its reliability. However the objectivity of information often exists and hence it might put people in fix. Nevertheless, with the development of marketing efforts and acceptance of several new products shown in television commercial advertisements, it witnesses the attainment of objective of television commercials. Television advertisement has changed the world significantly in very less time. The traditional advertisement used to aiming at creating awareness and giving information for a particular good or service. Initially, advertisements in the forms of outdoor or print media were used by government in India to provide information and to educate people for some important reasons or issues. The time passed and companies started using TV as a platform to inform about products to customers. Knowing the increased influence of advertising in the target audience, marketers have started using it as an effective marketing tool for creating and controlling for brand positioning and catering market.

REVIEW OF LITERATURE

Theories thrive as to the most effective strategy for creating a TV commercial. It epitomizes how, where and how often to place a brand in the ad frame. Some suggest using small, nonintrusive instances, while others recommend the hard-sell approach. According to Julia Hanna, companies and advertisers pay millions of dollars to show TV ads that, by some estimates, more than a third of viewers skip over with channels or tuning out altogether. Therefore, it becomes important to know the impact of TV ads.

The previous researches divulge that advertising has gone through many phases since the first transmission of TV ads in India. From the simplest TV ads for educating and creating awareness to the most innovative ones we watch today, which are designed for changing attitude and perception of consumers. However, few researches go against this fact. Decades back, production-oriented the first era, was seen as a means to selling products by pumping in huge volumes into the market place. As a result, demand exceeded supply; hence, there was no need to advertise products (Holt, D, 1983).

The situation has changed from time to time. The orientation of companies has also changed as per the situation. Marketing orientation has been very successful for companies across the field. HBS professor Thales S. Teixeira says that there is already some evidence of pulsing in ads, because the award-winning "The Happiness Factory" for Coca-Cola, and many other ads including automobile commercials briefly show the brand logo of a car from various angles as it manoeuvre a winding road.

These researches and several others depict that companies have been trying new techniques and eliminating old ones if necessary to lure customers. Evidently, they have been successful also. The marketers have broadened the arena and horizon of all orientations beyond the traditional concepts and theories. Television advertisement is created to not only educate people and provide with information relating to product features and advantages but aims at giving very strong reason to customers. The positioning is planned and designed to drive the urge of consumers as much as possible to create or stimulate the needs of consumers for no reason sometimes.

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OBJECTIVES OF STUDY

- To understand the concept and objective of Television ads or commercials.
- To identify the influence of Television ads or commercials on consumer's perception and attitude.
- To find out the significant impact of factors of Television ads or commercials among Television ads viewers.

Hypothesis of Study

- H₀₁: There is no significant difference on consumer's perception and attitude with respect to socio-demographical factors of gender.
- H₀₂: The Television ads or commercials do not have positive influence on consumer's perception and attitude.

RESEARCH METHODOLOGY

Respondents and Data Collection Method

Random sampling collected data from 120 TV viewers in Lucknow. The questionnaire, namely Consumer's Perception and Attitude (CPA) scale along with demographical factors of the television viewers were administrated through survey. The CPA includes statements regarding 11 crucial factors on 5-point Likert scale. The data was collected from Lucknow, Uttar Pradesh.

Statistical Analysis

To conclude the result of the study Statistical Package for Social Sciences (SPSS) 20.0 and MS Excel 2007 were used. The data was first recorded and arranged in SPSS version 20.0. After recording the information, analysis of the collected data was done on SPSS 20.0 through the analytical tools like Cronbach's alpha and Factor Analysis.

Profile of Respondents

Sample population revealed composition of respondents in Lucknow as it comprised predominantly of females with 56.67%. Female respondents were found keen to share the information as they watch television in their leisure more frequently than men. However due care was given to collect the data for the accomplishment of the objective. The highest respondents 67.50% belong to age group of 21-30 followed by respondents of age group 31-40 and 41-50. Thus the majority of response 91.70% was given by respondents of age between 21 to 40 years with majority (67.50%) being in prime of their youth i.e. 21 years – 30 years. 43.30% respondents were having a higher qualification (post-graduates) and 41.70% were graduate. 15% of respondents were either intermediate or doctoral.

Table-1: Demographical Profile of Respondents

| Variable | Number of Respondents | Percentage (%) |
|------------------|-----------------------|----------------|
| Age | | |
| 21-30 | 81 | 67.50% |
| 31-40 | 29 | 24.20% |
| 41-50 | 10 | 8.30% |
| Gender | | |
| Male | 52 | 43.33% |
| Female | 68 | 56.67% |
| Education | | |
| Intermediate | 15 | 12.50% |
| Graduate | 50 | 41.70% |
| Post Graduate | 52 | 43.30 % |
| Doctoral | 3 | 2.50% |

Sources: Authors Compilation

Reliability Test

To check the reliability of the information collected as a primary data from respondents of Lucknow, Cronbach's alpha was used. It was found from the reliability analysis that the Cronbach's alpha value was 0.606 for the Consumer's perception and attitude (CPA) scale. The value was reliable and suitable as it exceeded the minimum qualifying value. The researches supported that the Cronbach's Alpha value greater than 0.6 is acceptable for further analysis (Hair et al., 1998). Therefore, the data is valid for further analysis.

Table-2: Reliability of the Scales

| Scale Name | Cronbach's Alpha | No. of Items |
|------------|------------------|--------------|
| CMA | 0.606 | 11 |

Sources: Authors Compilation

RESULTS AND DISCUSSION

The result of the analysis as per the mean value and standard deviation is as under:

Table-3: Overall CMA score

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---------------------|-----|---------|---------|------|----------------|
| CPA | 120 | 1.00 | 4.00 | 2.03 | 0.65 |
| Valid N (list wise) | 120 | | | | |

Sources: Authors Compilation

The table shows that the respondents are satisfied with TV ads as the mean value of factors taken was found 2.03 on 5 point Likert scale ranging one to five where 1 is highly satisfied and 5 is highly dissatisfied. This shows that they are happy about the various factors they have been asked for. This also depicts that all the factors together put a favourable impact on TV ads viewers.

Table-4: Overall Gender and Age score

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---------------------|-----|---------|---------|------|----------------|
| Gender | 120 | 1.00 | 4.00 | 1.64 | 0.482 |
| Age | 120 | 1 | 3 | 1.41 | 0.642 |
| Valid N (list wise) | 120 | | | | |

Sources: Authors Compilation

The table shows favourable response of respondents for television ads as the mean values for gender and age are 1.64 and 1.41 respectively. Hence, the conclusion can be drawn that television ads influence people irrespective of gender and age.

Table-5: Attitude and Demographics

| Variables | Mean value | SD | Remarks (H ₀₁) |
|-----------|------------|------|----------------------------|
| Gender | | | |
| Male | 2.07 | 0.66 | Accepted |
| Female | 2.00 | 0.63 | |

Sources: Authors Compilation

The findings on table, depicts that gender has not any significant difference in the perception and attitude of the television viewers i.e. both the males and females hold almost same opinion for television ads. Thus, *hypothesis H₀₁ stating that there is no significant difference between consumer's perception and attitude with regard to socio-demographical factors of gender is partially accepted.*

Factor Analysis

To figure out the influence of television advertisements on consumer's perception and attitude for any a product, factor analysis was done with some considerably important factors for the study. All the factors were carefully observed and considered after having conversation with few respondents. The observed factors were first verified and KMO and Bartlett's test was applied to test the reliability of the same. Table 6 showed 0.584 as KMO result. Since the KMO statistic is greater than 0.50 and therefore, factor analysis could be adopted for the collected data. However, value 0.6 is being considered as KMO statistic for this study.

Table-6: KMO and Bartlett's Test

| | | |
|---|--------------------|---------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy | | .584 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 170.708 |
| | Df | 55 |
| | Sig. | .000 |

Sources: Authors Compilation

Table-7: Eleven Variables Rotated Component Matrix^a

| | Component | | | |
|---|-----------|-------|-------|-------|
| | 1 | 2 | 3 | 4 |
| Quality | .192 | .066 | .766 | -.233 |
| Assurance | -.093 | .049 | .773 | .232 |
| Social Acceptance | .662 | -.006 | .039 | .141 |
| Satisfaction | .747 | -.168 | .033 | .016 |
| Impulsive | .660 | .235 | .097 | -.034 |
| Attributes | .368 | .113 | .503 | .354 |
| Uniqueness | .242 | -.117 | .256 | .573 |
| Trust & Reliability | -.055 | .183 | -.097 | .820 |
| Celebrity Resemblance | -.078 | .802 | .112 | .140 |
| Self Confidence | -.060 | .743 | .220 | .041 |
| Advantages | .233 | .579 | -.226 | -.078 |
| Note: Extraction Method: Principal Component Analysis Rotation Method: Varimax with Kaiser Normalization a. Rotation converged in 5 iterations | | | | |

Sources: Authors Compilation

Data set was then subjected to another round of Principal Component Analysis and Varimax rotation. Communalities for eight out of eleven variables were higher than 0.5 (Annexure I) and rest three are close to 0.5. Final solution explained 57.624% of total variance associated with the problem (Annexure II). The table shows that factor output comprised of four groups based on eleven variables. Relevant factor loadings for each variable indicated that all the variables were adequately explained by derived factors. Factor output are also indicating specific forces driving consumer perception and attitude. The most contributing factor is 'Satisfaction' with loading value 0.747 along with 'Social Acceptance' (0.662) and 'Impulsive' characteristic (0.660). The respondents feel good and satisfied for those products, which are advertised on television because of high social acceptance and impulsiveness. The other influencing factors grouped together for second category are 'Celebrity Resemblance' and 'Self-Confidence' with loading value 0.802 and 0.743 respectively. This again shows that TV ads do have very good impact as they buy products because of brand ambassador and celebrity who endorse the brand. The third group of factors which play an important role in changing consumer's attitude and perception are 'Quality' with 0.766 and 'Assurance' with 0.773 loading values. Thus, the quality claimed and assurance in terms of warrantee, replacement or other create positive urge and drive among customers. The last but most significant factor according to the analysis is 'Trust and Reliability' with quite impressive loading value 0.820. This proves that the TV ads do not only influence positively but also generate trust and reliability among TV ads viewers.

CONCLUSIONS

The study concludes with the notion that television ads are having satisfactory positive influence on consumers' perception and attitude for several significant factors. Therefore, the *hypothesis H₀₂ stating that The Television ads or commercials do not have positive influence on consumer's perception and attitude is rejected*. The study also reveals that the TV ads or commercials are not only generating satisfaction among consumer but also helpful in branding and creating consumer delight. This might even result into brand equity for a brand in long run.

LIMITATIONS OF STUDY

This research is cross-sectional in nature and results are horizontal to impact of time. It is also important to note that size of the sample is sufficient to overcome the statistical objections but is still very small as compared to total population. Another limitation of this study is that the results are based on all the TV ads irrespective of the time of ads and the TV channel (news, music, movie, sports entertainment etc.) on which they are aired as some different segments within it may demonstrate different requirement and preferences.

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Annexure

| Table-8: Communalities | | |
|--|---------|------------|
| | Initial | Extraction |
| Quality | 1.000 | .682 |
| Assurance | 1.000 | .662 |
| Social Acceptance | 1.000 | .460 |
| Satisfaction | 1.000 | .587 |
| Impulsive | 1.000 | .502 |
| Attributes | 1.000 | .526 |
| Uniqueness | 1.000 | .467 |
| Trust & Reliability | 1.000 | .719 |
| Celebrity Resemblance | 1.000 | .681 |
| Self Confidence | 1.000 | .606 |
| Advantages | 1.000 | .446 |
| Note: Extraction Method: Principal Component Analysis | | |

Sources: Authors Compilation

| Table-9: Total Variance Explained | | | | | | | | | |
|--|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|-----------------------------------|---------------|--------------|
| Component | Initial Eigenvalues | | | Extraction Sums of Squared Loadings | | | Rotation Sums of Squared Loadings | | |
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1 | 2.313 | 21.028 | 21.028 | 2.313 | 21.028 | 21.028 | 1.738 | 15.802 | 15.802 |
| 2 | 1.644 | 14.942 | 35.970 | 1.644 | 14.942 | 35.970 | 1.680 | 15.276 | 31.078 |
| 3 | 1.272 | 11.565 | 47.534 | 1.272 | 11.565 | 47.534 | 1.636 | 14.874 | 45.951 |
| 4 | 1.110 | 10.090 | 57.624 | 1.110 | 10.090 | 57.624 | 1.284 | 11.673 | 57.624 |
| 5 | .911 | 8.278 | 65.902 | | | | | | |
| 6 | .888 | 8.073 | 73.976 | | | | | | |
| 7 | .827 | 7.514 | 81.490 | | | | | | |
| 8 | .671 | 6.102 | 87.591 | | | | | | |
| 9 | .499 | 4.540 | 92.132 | | | | | | |
| 10 | .440 | 4.001 | 96.133 | | | | | | |
| 11 | .425 | 3.867 | 100.000 | | | | | | |
| Note: Extraction Method: Principal Component Analysis | | | | | | | | | |
| Sources: Authors Compilation | | | | | | | | | |

Table-10: Component Matrix^a

| | Component | | | |
|--|-----------|-------|-------|-------|
| | 1 | 2 | 3 | 4 |
| Quality | .518 | -.109 | -.346 | -.532 |
| Assurance | .525 | .083 | -.609 | -.094 |
| Social Acceptance | .452 | -.383 | .322 | .076 |
| Satisfaction | .383 | -.573 | .333 | -.014 |
| Impulsive | .518 | -.206 | .412 | -.143 |
| Attributes | .694 | -.115 | -.157 | .085 |
| Uniqueness | .459 | -.197 | -.194 | .424 |
| Trust & Reliability | .287 | .254 | -.047 | .755 |
| Celebrity Resemblance | .402 | .698 | .176 | -.038 |
| Self Confidence | .417 | .628 | .107 | -.161 |
| Advantages | .201 | .331 | .538 | -.086 |
| Note: Extraction Method: Principal Component Analysis a. 4 components extracted. | | | | |
| Sources: Authors Compilation | | | | |

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WELLNESS TOURISM: “A PATH TO RECIPROCATATE BODY AND SOUL”

Lalat Indu Misra¹⁴ Patita Paban Mohanty¹⁵

ABSTRACT

The concept of “wellness” – and along with it wellness philosophy – was developed by the American doctor Halbert Dunn in 1959, this is when he penned down for the first time about a special state of health consisting an overall sense of well-being where a man take a close look of body, spirit and mind which are dependent on travelling for the health purpose and is not a new phenomenon. Ancient stories, do tell us tales related to travelling for therapeutic purpose, and one amongst them is “hot spring bath”.

In the due course of time health matter was focused and was taken very seriously for obtaining peace of mind and relaxation of body. This is when new form of tourism came into existence. Many such forms of tourism such as medical tourism, dental tourism, sex tourism, LGBT tourism evolved, which are directly or indirectly attached to the “wellness tourism”. If to be taken in a broader sense, we see that wellness is something, which is nothing but a positive reciprocation wherein we rejuvenate our body and soul.

Although a wellness vacation may well be spent in a cure institution, but we aim to make a clear distinction between wellness and cures. Above all, from the health point of view both are like the two sides of the coin. On the demand side, we therefore assume solely “healthy” people pursue that wellness with their prime aim being prevention and relaxation. However, a line should be drawn between this wellness with its comprehensive service package (consisting of physical fitness / beauty care, healthy nutrition / diet, relaxation / meditation and mental activity/ education) and illness prevention. What is more essential is that these wellness guests can claim services which are very similar to those used by “normal cure guests”, but with the motive of preserving or promoting their health which contrasts with the cured guests.

KEYWORDS

Tourism, Wellness, Service, Relaxation etc.

INTRODUCTION

The concept of travel for wellness is not new. It has been a centuries-old ritual. Take for instance, Greek pilgrims travelling to meet healing gods in 300 BC, or people travelling to the Himalayas for yoga and spiritual healing purposes were probably one of the first among wellness seekers. Today, holistic healing may be just a phone call away, but people are certainly catching on to the benefits, both physical and mental, that such visits can bring.

A state of sound mind and healthy body is considered as “wellness” when a person feels that he is sound internally. Wellness can be a simple affair like aqua pressure, aqua puncture, meditation, magneto therapy and many more. It is related to healing power to avoid the process of curing. Once the curing word comes to the picture then it gets a new dimension, which is known as “Health Tourism”. Wellness is a healthy terminology and therapeutic use such as sulphur water bath, is to rejuvenate tired nerves and keep skin diseases at a distance. Involvements of the medical service are to be barred, as the guest is healthy.

As with all forms of tourism, the flows of people are predominantly from more developed to less developed countries. The recent trend, however, is for western tourists to seek solace in Eastern philosophies and therapies (e.g., Chinese medicine, Buddhist meditation, Indian Ayurveda, Thai massage). Such alternatives already pervade in many Western societies, but tourists often visit a country to get the best of what he / she have heard. Now the question is, if wellness tourism is merely about relaxation, then one might argue that the traditional beach holiday with an emphasis on sunbathing is the ultimate form of meditation!

Similarly, the age-old tradition of spa tourism offered little more than a soak in warm, medicinal waters can be another feather attached to the crown. Given the definitions discussed above, in order to qualify as a contemporary wellness tourism experience, we would contend that some deliberate contribution has to be made to psychological, spiritual or emotional well-being in addition to physical. This takes wellness tourism from the realm of being merely a passive form of tourism with a focus on escapism to one where tourists are purposefully driven by the desire to actively seek enhanced wellness. Majority of wellness tourists are already active at home in some form of wellness enhancing activity (e.g., yoga, meditation, massage, healthy eating). Those that are not, often aim to engage further in the wellness activities they have experienced on holiday, thus, demonstrating that even a short trip can have a long-lasting effect on one’s everyday life.

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NEED FOR WELLNESS TOURISM

“Health is wealth is an old adage”. The concept of wellness took some time to take the path of tourism and develop into an industry that combines hospitality and wellness, which is beneficial to all. While medical tourism gained popularity in the 1980s with people travelling to foreign countries in search of better and cheaper medical treatment, which beholds treatment such as plastic surgery, breast implants, dental set up, and rehabilitation programs.

There is much more to wellness tourism than spas and yoga. Fitness, diet, nutrition, sports, and meditation are all part of wellness programs. The main objective behind these activities is to relax and energize oneself to feel refreshed and rejuvenate tired nerves after a period of hard work. Wellness tourism also includes exploring nature and experiencing different cultures to keep you in tune with the finer aspects of life.

Many resorts and hotels have developed spa centers, which are adding health and wellness programmes to facilitate guests' who see wellness as a deciding factor while choosing a resort for their vacation. Among the several types of spa venues, there are mineral spring spas, which offers natural mineral, thermal or seawater in hydrotherapy treatments administered by professionals. Spa facilities developed by resorts and hotels form part of the largest group that caters to the wellness tourism industry. Stress being the number one cause of many diseases in today's world and is the catalyst; to boom in wellness tourism. Especially in the corporate world where mixing business with 'spa' pleasure is an increasing norm. Besides, this it is a great way to motivate employees, manage employee's health, and build confidence. Among a host of wellness programs, many destination spas also offer holistic mind/body/spirit experience. Some of these spas run one-day programs on fitness, alternative therapies, and nutrition, in addition to spa and beauty treatments.

Medical tourism is another stream where in the guest keeps a detailed track of his health by consulting physician and necessary actions to keep mind and body healthy. Wellness tourism is just a deviation from the medical tourism wherein the tourism activity revolves around keeping mind and spirit healthy. In other terms it is not a treatment rather rejuvenation.

INDIA AS A WELLNESS DESTINATION

As per the latest report by global hospitality consultant HVS, India was ranked in the top 20 list of top spa countries worldwide, with 2,359 operational spas. The industry is estimated to have generated around \$384 million annually and employs about 22,175 people. Jaideep Anand, general manager, Ista Hotel, Hyderabad explains, "India is associated with its rich culture and tradition of wellness therapies and spiritual practices. It is therefore only natural for globetrotters to see our country as a leading destination for spa and rejuvenation."

Indian history explains us about our rich therapeutically cures to veins, arteries and muscular defunct, which are treated by using various techniques such as:

- Hot spring bath.
- Stone therapy.
- Mud therapy.
- Magneto therapy.
- Acupressure.
- Acupuncture.
- Rekie.

Hot Spring Bath is a natural healing treatment used by the tourists for rejuvenation and for healing from Skin problems. In India there are many places dealing with the hot spring bath therapy. Any of these treatments are a part of wellness tourism with natural and therapeutic use of mud, sand and magnet to ease the tired nerves.

In Odisha, a place called ATRI is well known for its hot sulphur springs Located at a convenient distance of 42 km from Bhubaneswar, the capital of Orissa, the hot sulphur springs maintain a steady temperature of 55°C throughout the day. There is a bathing complex adjoining the hot sulphur springs in Atri that affords you a chance to take advantage of the curative powers attributed to the spring. Similarly in Himachal Pradesh hot spring bath are a good attraction for the tourists. Not only this but the other type of tourism like mud therapy, magneto therapy acupressure and acupuncture attracts tourist from India and abroad.

WHY WELLNESS TOURISM IN INDIA

'India is a global trendsetter in the Wellness Tourism segment' - Susie Ellis, Chairman and CEO, Global Spa & Wellness Summit. The Wellness Tourism segment is estimated to grow nearly 50 per cent faster than global tourism by 2017, and a significant contribution to this will come from Asia, states a recent study by SRI International. In an interaction with **Shilpa Shankar Iyer, Susie Ellis**, Chairman and CEO, Global Spa & Wellness Summit, elaborates on these estimates, gives her view of the potential of India in the segment, and says why she thinks the country will see growth in Wellness Tourism (**Sources:** Thursday, November 07, 2013 Travel Biz).

Wellness is much associated with the wellbeing it can be a healthy man's practice or in that matter may be a post operation therapy to a patient who wants to regain his/her daily activity with vigor. The study by Euromonitor has revealed that India attracts tourist from Iran, Afghanistan, Turkey, Pakistan, Denmark, Oman, Qatar, Saudi Arabia and the US for medical treatment. This is very new trend being followed by the tourists. The prospect behind this is that the Indian Government is implementing numerous road shows to promote Indian medical tourism in other countries. India offers the advantage of paramedical services and post-surgery care, unlike other countries, to make it convenient and comfortable for international tourists.

Ministry of Tourism, Government of India has drafted guidelines for wellness tourism. These guidelines address issues regarding making available quality publicity material, training and capacity building for the service providers, participation in international & domestic Wellness related events, etc. Mushrooming of wellness centers in the country have given rise to the concern for quality service. The Guideline for Accreditation of wellness centers have been developed by National Board for Accreditation of Hospitals & Healthcare Services (NABH) in consultation with AYUSH and released during the workshop on wellness tourism organized by Ministry of Tourism on 15 Feb 2011.

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VIRAL MARKETING: ELEMENTS, ISSUES & PRACTICES

Abhinav Kataria¹⁶ Assim Hasan¹⁷

ABSTRACT

Marketers have been using electronic tools for many years, but the Internet and other new technologies created a flood of interesting and innovative ways to provide and enhance customer value. Not only did this challenge the fundamental basics of traditional marketing, but it also helped to shape the practice of modern marketing. Coupled with the fact that the rate at which change takes place (as fuelled by technology) will not slow down, but accelerate, the biggest challenge facing local marketers will be to become globally competitive in terms of marketing efficiencies (Pretorius 2000:74).

Draper noted the viral phenomenon after Hotmail went from 0 to 12 million subscribers in just eighteen months, largely because the product included a linked advertisement link for their service at the bottom of every email and offered a compelling service. Viral marketing describes any strategy that encourages individuals to pass on a marketing message to others, creating the potential for exponential growth in the message's exposure and influence. On the Web, the technique has been called "word-of-modem," "word-of-mouse," "networked-enhanced word of mouth", "grass-roots marketing", and "a highly infectious digital sneeze".

A virally marketed product is often said to have "buzz." Fundamentally, viral marketing on the Internet is the simple technological extension of word-of-mouth marketing. This paper analyzes the different components of Web-based viral marketing, citing examples and establishing which factors are necessary for the widest product adoption and what products are "buzz" friendly.

KEYWORDS

Viral Marketing, Gangnam Style, Marketing Myth, Internet etc.

INTRODUCTION

Wilson (2000:1) describes viral marketing as any strategy that encourages individuals to pass on a marketing message to others, thus creating the potential for exponential growth in the exposure and influence of the message. In *Viral Marketing Online* (2001,) it is explained that viral marketing is any advertising that propagates itself in the same way as viruses. The only difference is that viral marketing uses digital media. Therefore, the concept refers to a message that spreads to other people because the first recipient liked it and chose to send the message on to others, using what some people prefer to call 'word-of-mouse' communication (Hendrix 1999:31). This is the equivalent of word-of-mouth communication in off-line marketing. Less familiar ways of referring to viral marketing include referral marketing (Fanous-Samaan 1999:29), organic marketing (*Viral Marketers Online* 2001) or even network marketing (Wilson 2000:1).

Historically, many on-line viral marketing activities were generated more by accident than by design and, as with so many activities on the Internet, the theory appears to have developed after the practice. Indeed, the better-known viral successes have required good business people to spot and develop the activity, rather than initiating it (Wilding 2001:1). Many people mistakenly think viral marketing happens only through e-mail. Effectively, the user does the selling through an on-line mechanism, nearly always e-mail (Nucifora 2001:27; Bannan 2002:20; Rasmusson 2000:18), but it can also be transferred to other digital media of the Web such as graphics (Daniels 2001:12), software downloads and screen savers (personal interview with Chettoa 2001), short video clips (Lamirand 2000:51) and messages distributed by mobile phones (Wallace 2000:12), to list only a few. A recent White Paper on viral marketing (Intrapromote 2001:2) named these self-contained objects (which are indeed independent of Web sites) 'viral objects'. Viral objects can be defined as something given to target users to pass along, something upon which the blinding forces of the Internet.

MECHANISM OF VIRAL MARKETING

Successful viral marketing needs, the strategy must include a viral element from the beginning. Not only must the technical aspects be developed and ready to implement, but the marketer must have a sense of how to seed the concept of the product or service within its target audience. The audience must then be equipped with the tools necessary to spread the word about the product. To create buzz about a product, viral marketers must start with a product that encourages conversation because it is contagious, evokes an emotional response, creates visual curiosity, and / or becomes more useful as more people use it. In addition, marketers must insure that there is some personal benefit for the target audience to become engaged in the marketing effort.

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Viral marketing attempts to harness the power of trusted recommendations by friends. "Viral marketing is more powerful than third-party advertising because it conveys an implied endorsement from a friend," says Steve Jurvetson. For this reason, companies should personalize their referral e-mail so that it shows clearly, particularly in the subject line, that it is coming from a friend. Research shows that e-mails from friends are more likely to be opened and read because the sender is credible and because the sender and receiver have common interests. "Just 1 percent of Web site visitors click on banner ads, but between 5 and 15 percent of those receiving viral messages click through or follow the links." "The idea that a critical part of marketing is word of mouth and validation from important personal relationships is absolutely key, and most marketers ignore it," notes Len Short, executive vice president of advertising and brand management at Charles Schwab.

The viral message can spread either intentionally or automatically. Consumers who find a service compelling spread the buzz intentionally when they communicate it to other people. Individuals propagate the marketing message automatically when "a viral component is built into its DNA," or imbedded in the use of the product, spreading the marketing message when they use the service to communicate with their friends and family. For example, Passthison.com, with 6.7 million unique visitors in July 2000, according to Media Metrix Inc., relies on games and electronic greeting cards to lure users. Visitors can send a red heart to the objects of their affection after handing over their sweetie's e-mail address and other marketing information. Like Blue Mountain Cards, users must ask their friends to use the service in order to receive the personal greeting. Those new customers then receive encouragement to reply using the service.

Viral marketers often first target a small group of influential persons within their target audience. Such high profile, credible persons have been called "cyber evangelists" or "e-fluentials." In Emanuel Rosen's book *Anatomy of Buzz*, these people are called "network hubs," and in his book "Unleashing the Ideavirus", Seth Godin calls these people "sneezers." The idea of key influentials is based on the "diffusion theory, the hypothesis that every successful idea is first embraced by a small group of 'influencers' before it spreads to the masses," according to Marianna Deal and Pete Abel, senior partners at the marketing firm Fleishman-Hillard. Deal and Abel call such influencers "adoptive connected chat leaders" because they are early adopters, are strongly connected to their communities, and are naturally vocal and credible. A more commonly used colloquialism is "trendsetter." According to Deal and Abel, a viral marketing campaign should be like "a rifle, not a shotgun, approach," in which you develop "sustainable relationships with a few thousand key people, transforming them into an unpaid sales force." According to research by Burson-Marsteller, e-fluentials comprise about eight percent of Internet users and, on average, influence about eight other people with authority, an additional 66 percent of Internet users.

ELEMENTS OF VIRAL MARKETING

Marketers attempting a viral marketing campaign must measure the effort of the campaign by setting targets for it and taking solid baseline reports before starting it. Rasmusson (2000:18) stresses the importance of making sure that any viral marketing campaign is integrated with other marketing efforts. According to Wilson (2000:2), an effective viral marketing strategy comprises six characteristics, namely:

- It gives away products or services free. Although 'cheap' or 'inexpensive' may generate a wave of interest, 'free' will usually, accomplish it much faster. The logic behind this is that 'free' attracts eyeballs, which in turn see desirable things that are purchased in most cases. Therefore, preferably give something away
- It provides for effortless transfer to others. From a marketing standpoint, it is important to simplify the message so it can be transmitted easily and without degradation.

It scales easily from small to very large. To spread like wildfire, the transmission method must be rapidly scalable from small to large. Marketers must realize that if the virus multiplies only to kill the host before spreading, nothing is accomplished.

Marketers must therefore take care that servers, for instance, can be expanded quickly .It exploits common motivations and behaviour. Greed can drive people; so can the need to be popular, loved and understood. The resulting urge to communicate produces millions of Web sites and billions of e-mail or other electronic messages. Therefore, clever viral marketing strategies take advantage of common human motivations and behaviour.

It uses existing communication networks. Throughout history, people have formed communities in which networks of human interaction convey social values, daily events and plans for activities that foster the well-being of the individual within the community and the community within the larger environment. Marketers must learn to place messages within the communications that exist between people, because people in digital environments also develop networks of relationships. By exploiting these networks, marketers can easily spread messages in an even cheaper way.

It takes advantage of other resources to get the word out. Affiliate programmes, for example, place text or graphic links on other people or organizations' Web sites. The moment someone else's Web site is relaying your marketing message, someone else's resources are depleted instead of your own.

MAJOR ISSUES OF VIRAL MARKETING

Obviously, one of the biggest issues with viral marketing is spam. "A highly-charged anti-spam sentiment has emerged over the past 12 months, forcing several companies to pull viral marketing efforts", according to a recent article in Adweek. Companies wishing to use viral marketing campaigns need to make sure the motivation they offer persons to spread the buzz is not so great that it encourages spamming. "If you under motivate, you don't get much interest. If you over motivate, you'll have cheating and all kinds of problems," says Kim Brooks of Bardo International.

Privacy is a related issue. Some persons referred to companies by friends do not appreciate companies keeping their personal information, such as their e-mail address. In 1999, the Swedish furniture chain IKEA canceled a viral marketing campaign that offered coupons in exchange for passing on an e-mail postcard after persons referred expressed concern that their e-mail address was being added to IKEA's database for future spamming. Companies should make clear their policy of not retaining the personal information of persons referred, and instead should allow those persons to "opt-in" for the service.

Viral marketing overkill is another major problem. Consumers "are getting wise to the technique as the volume of viral marketing increases." Companies risk annoying or alienating their target audience if their viral marketing campaign is contrived or executed poorly". [T]here's a viral traffic jam just a few clicks down the Information Highway. Even good friends can be as annoying as marketers if they bombard me too much," said Ellen Neuborne in a March 2001 article in Business Week. Research by Lowe Live and BMRB in January 2001 suggests a significant fall in the number of persons who will forward viral e-mails, according to Marketing Week magazine.

Of course, bad news can travel just as fast as good news. "Part of the problem lies in the very quality of the Net which makes viral marketing possible – the speed with which information spreads. The information may be positive, deliberately generated by a company or brand. Or it may just as easily be negative and damaging."

RECENT VIRAL MYTHS

- Seven different online scenarios to see how they spread:
- Yahoo! Voice, an online phone service started in 2004;
- Zync, a yahoo! Instant messenger video-sharing application;
- Friend sense, a Facebook app introduced in 2009;
- "the secretary game," the online version of a classic hiring test devised by psychologists;
- Yahoo! Kindness, a charitable website launched in 2010;
- News stories sent via twitter in November 2011;
- And YouTube links diffused through twitter in November 2011.

MARKETING GANGNAM STYLE

Gangnam-Style events, where something does become incredibly popular seemingly out of nowhere? Goel says the initial paper only looked at four outliers, three of which became popular through a conventional broadcast model, and the fourth was closer to a broadcast model than a viral one. (An aside: the broadcast model does map to a kind of virus - water-borne viruses like polio, where one person contaminates the water supply and everybody else is infected from that one source. However, it is not the person-to-person model that is the conventional shorthand for viral marketing.)

PRACTICES OF VIRAL MARKETING

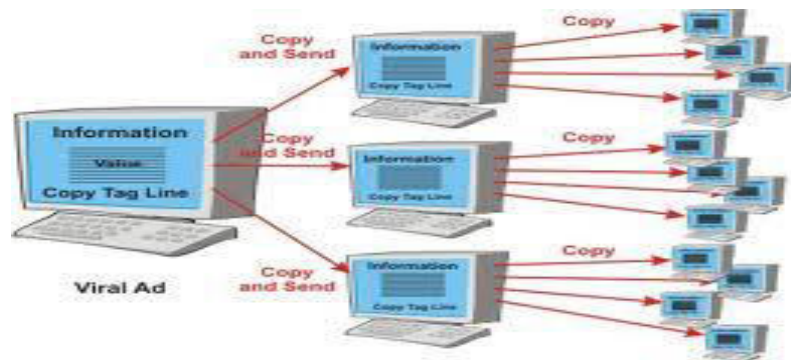
Ironically enough, according to Ward (2000:26) and Wilding (2001:1), marketers can never purposely create a viral campaign that has even a fraction of the success that unplanned spreading has. This is because viral marketing is more about serendipity than planning, just as in the case of word-of-mouth marketing. Therefore, it is important to realize that one cannot engineer viral marketing. Ward notes that one can try to create a message worthy of passing along, but seeding the message and what happens after seeding are two very different things. The standpoint of this discussion is therefore because marketers can create messages, but cannot determine their distribution spread. This, however, cannot exclude the fact that marketers can, through careful selection, determine to whom initial messages must be targeted; bearing in mind that what happens with the messages afterwards cannot be influenced. Viral objects become true viral objects the moment a person forwards it to someone else.

According to Intrapromote (2001:4), viral objects must be designed to appeal specifically and uniquely to a target market. The key is to introduce these viral objects into digital networks in a manner unlike spam. Viral objects should be in line with the digital spirit of sharing items of particular affinity within a given community, for example a contribution to an ongoing discussion in an on-line forum. It should not be an unwanted interruption, which is the case with most advertising. Rasmusson (2000:18) is convinced that the success of viral marketing is tied to three things:

- The nature of the company's industry;
- The on-line tenure of the audience; and

- The topic of the message. Marketers must realize that viral marketing is a digital phenomenon that cannot be created with an analogue strategy, due to the method through which the message is spread (intrapromote).

Figure-1



Sources: Authors Compilation

Viral marketing is extremely attractive to startup ventures with a limited marketing budget, since it costs very little but still delivers astounding results in a very short period (Nucifora 2000:27). Azeez (2001:1) states: 'Fundamentally, advertising and marketing budgets no longer stretch as far as they used to, and the perceived savings by going viral are too attractive to ignore.' Many marketer therefore try to implement viral marketing 'campaigns', but fail to realize that one can only influence the message and determine to whom it should be delivered initially.

In addition, viral marketing can have a reverse effect. Recipients of e-mail perceived as spam (a pejorative reference for unsolicited e-mail) could vent their opposition to thousands of users in public newsgroup forums and friends on e-mail lists, thereby quickly generating negative publicity for the organization. Marketers must therefore realize that unsolicited e-mail, a good example of what is perceived as a viral marketing campaign, shifts the burden of selectivity from sender to recipient. However, Strauss and Frost (2001:257) point out that marketers should remember that all unsolicited e-mail is considered spam but, just as with direct mail, when the e-mail is appropriate and useful to the recipient it is welcomed, unsolicited or not.

According to Fanous-Samaan (1999:29), another potential downside of viral marketing is the possibility to alter the content of the message before it is passed on. Viral marketing therefore works best with fixed content (for example software downloads) than with written messages where the recipient can easily modify the content. Possibility to alter the content of the message before it is passed on. Viral marketing therefore works best with fixed content (for example software downloads) than with written messages where the recipient can easily modify the content. Fadhlley (2000:15) stresses that viral marketing can only be successful if the benefit of receiving a communication message is significantly greater than the nuisance or cost of passing it on. According to Daniels (2001:12), the challenge for marketers is to make their marketing messages interesting enough for people to want to spread it. A carefully designed viral marketing 'strategy', where people can spread information easily, could ripple out rapidly.

Once it has been jump-started, as supported by Metcalfe's law. One obvious problem with viral marketing is that it appears to be an open invitation to spammers. Therefore, according to Wallace (2000:12), credibility becomes even more of a factor given the current public mistrust in unsolicited e-mail. However, Bannan (2000:20) confirms that viral marketing has the inherent benefit of the recipient recognizing the name of the person who forwarded the message.

Owing to this reason, it is increasingly common for opt-in lists to remind users that they are not being spammed. This is done by including a disclaimer at the beginning of the message that reminds recipients that they are receiving the message because of an earlier request to be notified. Besides this, marketers must remember that their messages must also contain an option for users to be removed from the list (opt out). Only after this can viral marketing really come to life. True viral marketing only starts when consumers spread the message on their own.

CONCLUSIONS

It seems that viral marketing is an old idea (nothing else than word-of-mouth) that has been greatly revitalized by the speed and agility of digital resources, including the Web and mobile phones. However, marketers must realize that these digital means provide a way to do better, faster and sometimes even cheaper word-of-mouth marketing than could ever have been done before.

Viral marketing is probably the best definition for the concept and, in a way, can be considered a new buzzword. It is important for marketers to realize the potential of viral marketing compared to word-of-mouth. Integrated properly with traditional marketing techniques, viral marketing definitely is a concept marketers must explore. It is important for marketers to realize that viral marketing is a double-edged sword, since the word it spreads can be either positive or negative, depending on the situation. While viral marketing is one of the fastest growing segments of digital marketing, tracking results can be problematic and costly.

Obviously, if one cannot track the results of a campaign, it is useless. Still, the potential reward of viral marketing is so much bigger than word-of-mouth marketing that it cannot even be compared.

Viral marketing is a powerful theory, taking the principle of permission marketing to an extreme. It attempts to harness the strongest of all consumer triggers – the personal recommendation. In the digital age, it might well be possible to include consumers in marketing and let them spread the word to millions around the world. However, companies that pursue this tactic should remember that it is no miracle cure for their marketing ills. At best, it is a way to support a broad marketing programme. At worst, it is an awful little bug spread by desperate marketers and their unsuspecting consumers.

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FDI IN SERVICE SECTOR AND ITS IMPACT ON ECONOMIC DEVELOPMENT OF INDIA

Abhishek Parikh¹⁸ Harshika Gabbad¹⁹

ABSTRACT

The service sector has emerged as one of the largest and fastest-growing sector in the global economy in last few decades, providing larger share of employment and global output. Indian economy has also experienced similar trend where service industry has experienced a growth rate of around 8% since 1990 and accounted for 57% of share in GDP in 2012. In addition, there has been a notifying shift of foreign direct investment (FDI) away from the manufacturing sector towards the service sector in India, which is very much visible in the growing share of services in total FDI, which has now increased to 21% (Biznews 2012).

However, in spite of the growing internationalization of services, there exists very limited literature on the conceptual framework for FDI in services and its implications in India. The main objective of this paper is to identify some of the conceptual issues and provide a selective review of both theoretical and empirical studies on these issues.

Some of the conceptual issues identified with respect to FDI in service are: the differences between FDI in services and FDI in goods & the relevance of the “theory of FDI” for explaining the important determinants of FDI in services. Further, some of the theoretical models and empirical studies are reviewed that examine the impact of FDI in services in India.

Through this paper, an attempt is made to understand the determinants of FDI in service sector globally and understanding FDI trend in India since 2008 and highlight future areas of research.

KEYWORDS

FDI, Service Sector, Determinant of Service Sector, Manufacturing Sector etc.

INTRODUCTION

India has been experiencing rapid change in Foreign Direct Investment trend in past decades. FDI has been growing at faster rate than local output and trade for over more than a decade. This has given rise to a number of theoretical and empirical studies that have investigated its determinants and impact on India. However, there is an important lacuna in the literature of FDI in service sector as FDI is increasingly shifting towards service sector, which has experienced more than 20% of FDI inflow.

In India, like many other countries, service sector now accounts for a larger share of inbound and outbound FDI stock compared to its data two decades back. Even though the share of services in India's total FDI inflow has fallen from 27% in 2007 to near about 14% in 2012 (see figure), it still holds the highest contribution in overall inflow of FDI to the country. The newly industrialized economies of the Asia-Pacific region, on the other hand, have shown different trend where the share has increased in service sector and the member States of the Association of Southeast Asian Nations (ASEAN) have led the way. Trade in services via the commercial presence (FDI), that is Mode 3 of the General Agreement on Trade in Services (GATS) is now almost 50 per cent of total trade in services.

The rapidly growing internationalization of services and the lack of corresponding literature have led to much doubt in the minds of policymakers in India vis-à-vis allowing FDI in services. This in turn has led to limited commitments under Mode 3 in the GATS negotiations. To date, little progress has been made under this mode of trade by the developing countries. In this context, the main objective of this paper is to identify and examine some of the conceptual issues with respect to FDI in services and provide a selective review of both theoretical and empirical studies on these issues with reference to policy making on FDI in India. Policy implications that emerge for India from this literature are then discussed and future areas of research are highlighted.

Historical trend of FDI in India

The Service Sector has played a dominant role in the Indian Economy with a 57.3 per cent share in the GDP and a growth of 10.1 percent in 2009-10 (Economic Survey 2010-2011, RBI). Foreign Direct Investment (FDI) has played a key role in the growth of service sector in India. With the market reforms initiated in 1991, India gradually opened up its economy to FDI in a wide range of sectors. The “licence-raj” system was dismantled in almost all the industries. The FDI inflow between 2001 and 2012 had increased by a staggering 34041 million dollars. FDI was also encouraged in service sector, which was once completely

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off-limits for foreign equity. A substantial part of the FDI has gone into the service sector. The reserve bank of India set up an automatic approval system, which allowed investments in slabs of 50, 51 or 74% depending on the priority of the industry, as defined by the government. The foreign investment limits were slowly raised and some sectors saw the limits raised to 100%. The reforms thus led to a gradual increase in FDI in India. Table 1 shows the FDI flow to India in major sectors from 2000 to 2012. As is quite visible from the table, FDI shares highest percentage of inflow for service sector on a consistent basis. The economic role of FDI is increasingly becoming significant in the Indian economy with the transition of FDI policy from a restrictive phase of seventies and early eighties to a relatively liberal phase of nineties.

WHAT ARE THE DETERMINANTS OF FDI IN SERVICES?

Most of the studies in service sector are chiefly undertaken for some of the prominent producer services, for example banking and insurance. The determinants of FDI in services that are identified in the literature can be categorized as follows:

Market Size

Market size is found to be the most important determinant of inward FDI in goods by most of the studies. A number of studies have tried to estimate the impact of the host country market size on the inflow of FDI in services and have arrived at mixed results. It is found to be a significant determinant for transnational banks, international advertising agencies and transnational insurance firms (UNCTC, 1980; UNCTC, 1992; and Schroath and Korth, 1989). It can be derived that although market size is an important determinant for FDI in services; its importance is lower than for FDI in goods.

Home Country Business Presence / Local Customer Base

Some studies have found that local business presence is one of the most important determinants for FDI in services as it has direct impact on the number of informed customers in that country, who thus create more demand for these services. FDI stock has generally been used as an indicator of home business presence in the host countries. Empirical studies in international banking and advertising (UNCTC, 1993) have observed this follow-the-client motive. Raff and Ruhr (2001) also find this to be true for FDI in producer services.

Host Government Policies / Openness

Similar to FDI in goods, the “rule of law” is the major barrier to FDI in services. Categorical refusal to permit FDI in selected services still exists in many countries. However, post GATS, many countries, mainly developing countries, are now changing their policies and allowing FDI into selected service sectors although restrictions on the extent of foreign ownership still exist. According to studies by UNCTC (1988), one of the most important determinants of the location of FDI in services are government policies and regulations. Some of the studies (UNCTC, 1992) have constructed an openness index on the subjective evaluation of degrees of government controls and impediments, for example controls of entry, establishment and ownership of FDI, and estimated the impact of the index on inward FDI in the service industry and find that it has a significant impact on inward FDI in services.

Cultural Distance

The various host countries have different cultures, tastes and needs, thus FDI in services needs to be adapted to the tastes of local customers. In this respect, cultural distance is also found to be an important determinant of FDI in services (Hofstede, 1980; UNCTC, 1993).

Competitive Advantages

The competitive advantages of service firms have been elaborated in terms of ownership, location and internalization advantages by Dunning (1989). As international competition in services grow, competitive advantages become increasingly important determinant of FDI in services. However, competitive advantages in services are difficult to measure and transfer, especially if they are culturally and institutionally embedded. A country's competitive advantage in a particular sector is revealed by either higher exports from that sector or outbound FDI from that sector. Since the service sector is characterized by location boundedness and a varying degree of tradability, outbound FDI in services has been used by studies to estimate the impact of competitive advantage (Sauvant, 1986). UNCTC (1993) estimates an international competitiveness index (ICI) that combines Balassa's (1997) revealed comparative advantage and the intra-industry FDI. It is found that FDI in services is positively affected by the international competitiveness of the home country's service industry. However, when the impact of ICI is estimated for different services, it is found that it is not a significant determinant in the case of trade-related services and business services. It has some effect on finance-related services.

Tradability of Services

The fact that services are largely intangible and non-storable implies that the international transaction in services can occur mainly by inward FDI or by an indigenous firm producing under a licensing arrangement with foreign transnational corporation.

However, the tradability of services has improved considerably with the advances made by information technologies (Sauvant, 1986 and 1990). This has led to an emergence of network-based trade. Thus, the location boundedness of FDI has reduced. The higher the tradability of services is, the lower will be the chances of providing services through the FDI route. UNCTC (1993) measures the tradability of services by the ratio of export sales over total foreign sales in a service industry and finds that it has a negative impact on FDI in services.

Global Oligopolistic Reaction

Oligopolistic reactions occur when firms are mutually interdependent. FDI in manufacturing have been found to follow both their domestic and international competitors in setting up their units in the host countries as a defensive strategy. Terpstra and Yu (1988) test this for FDI in the advertising industry in the United States and find that such an oligopolistic strategy does explain FDI in this service industry. This implies that FDI in services also needs to compete based on a global strategy.

Firm Size

International expansion is one of the major growth strategies of the firm. Larger firms are more likely to become transnational than smaller firms. As in the manufacturing of goods, firm size also has been found to be a significant factor in the international behaviour of several service industries such as banking and advertising. With respect to the determinants of FDI in services, we observe that the determinants that are found to be significant for FDI in goods are also found to be significant for FDI in services. However, the importance of the determinants differs. Some of the most important determinants for FDI in services are government regulations and policies, cultural distance and the tradability of services. For FDI in goods, the most important determinants are market size, barriers to trade and cost differentials in production. The above analysis of the determinants of FDI in services further strengthens the need for a separate theory for FDI in services that would be able to incorporate the distinct characteristics of services and explain the cross-country pattern of FDI in services.

FDI and GDP – A Comparative Study

Table-1: Annual Inflow of FDI in India

| YEARS | FDI Amount (In million US\$) | YEARS | FDI Amount (In million US\$) |
|---------|------------------------------|---------|------------------------------|
| 2000-01 | 2463 | 2006-07 | 12492 |
| 2001-02 | 4065 | 2007-08 | 24575 |
| 2002-03 | 2705 | 2008-09 | 31396 |
| 2003-04 | 2188 | 2009-10 | 25834 |
| 2004-05 | 3219 | 2010-11 | 19427 |
| 2005-06 | 5540 | 2011-12 | 36504 |

Sources: Authors Compilation

Table-2: Sector Wise Inflow of FDI and Percentage Contribution of total FDI as of 2012

| S. No. | Sector | Amount of FDI Inflows | | % age with total FDI Inflows (+) |
|--------|---|-----------------------|-------------------|----------------------------------|
| | | (In Rs crore) | (In US\$ million) | |
| 1 | Services Sector | 145,764.14 | 32,350.69 | 19 |
| 2 | Telecommunications | 57,077.92 | 12,552.19 | 7.37 |
| 3 | Construction Activities | 52,252.89 | 11,432.84 | 6.71 |
| 4 | Computer Software & Hardware | 50,117.86 | 11,205.14 | 6.58 |
| 5 | Housing & Real Estate (Including Cineplex, Multiplex, Integrated Townships & Commercial Complexes Etc.) | 49,716.79 | 11,112.91 | 6.53 |
| 6 | Chemicals | 47,903.80 | 9,843.95 | 5.78 |
| 7 | Drugs & Pharmaceuticals | 42,868.04 | 9,194.71 | 5.4 |
| 8 | Power | 33,214.03 | 7,298.54 | 4.29 |
| 9 | Automobile Industry | 30,785.47 | 6,757.55 | 3.97 |
| 10 | Metallurgical Industries | 26,936.11 | 6,040.85 | 3.55 |
| 11 | Hotel & Tourism | 15,483.19 | 3,372.20 | 1.98 |
| 12 | Petroleum & Natural Gas | 14,611.84 | 3,338.75 | 1.96 |
| 13 | Trading | 15,080.65 | 3,316.64 | 1.95 |
| 14 | Electrical Equipment's | 13,606.84 | 2,986.83 | 1.75 |
| 15 | Information & Broadcasting (Including Print Media) | 13,279.82 | 2,880.16 | 1.69 |
| 16 | Cement And Gypsum Products | 11,711.42 | 2,614.05 | 1.54 |
| 17 | Miscellaneous Mechanical & Engineering Industries | 10,033.13 | 2,229.26 | 1.31 |
| 18 | Consultancy Services | 8,913.07 | 1,952.81 | 1.15 |

| | | | | |
|----|---|-----------|----------|------|
| 19 | Industrial Machinery | 8,256.03 | 1,798.32 | 1.06 |
| 20 | Ports | 6,717.38 | 1,635.08 | 0.96 |
| 21 | Non-Conventional Energy | 6,936.50 | 1,484.70 | 0.87 |
| 22 | Agriculture Services | 6,921.83 | 1,447.22 | 0.85 |
| 23 | Food Processing Industries | 6,487.73 | 1,409.60 | 0.83 |
| 24 | Hospital & Diagnostic Centers | 6,040.87 | 1,340.47 | 0.79 |
| 25 | Electronics | 5,259.31 | 1,159.98 | 0.68 |
| 26 | Sea Transport | 5,138.76 | 1,129.88 | 0.66 |
| 27 | Textiles (Including Dyed, Printed) | 5,123.70 | 1,122.17 | 0.66 |
| 28 | Fermentation Industries | 4,506.58 | 1,027.42 | 0.6 |
| 29 | Mining | 4,054.63 | 940.41 | 0.55 |
| 30 | Paper And Pulp (Including Paper Products) | 4,028.43 | 860.45 | 0.51 |
| 31 | Prime Mover (Other Than Electrical Generators) | 3,126.32 | 664.08 | 0.39 |
| 32 | Machine Tools | 2,406.74 | 521.6 | 0.31 |
| 33 | Medical And Surgical Appliances | 2,457.86 | 521.45 | 0.31 |
| 34 | Education | 2,406.73 | 512.15 | 0.3 |
| 35 | Ceramics | 2,171.84 | 503.79 | 0.3 |
| 36 | Rubber Goods | 2,304.59 | 490.88 | 0.29 |
| 37 | Soaps, Cosmetics & Toilet Preparations | 2,240.48 | 472.32 | 0.28 |
| 38 | Air Transport (Including Air Freight) | 1,935.52 | 433.42 | 0.25 |
| 39 | Diamond, Gold Ornaments | 1,524.37 | 338.15 | 0.2 |
| 40 | Vegetable Oils And Vanaspati | 1,300.77 | 276.56 | 0.16 |
| 41 | Printing of Books (Including Litho Printing Industry) | 1,179.32 | 257.97 | 0.15 |
| 42 | Fertilizers | 1,196.78 | 255.35 | 0.15 |
| 43 | Railway Related Components | 1,086.31 | 240.48 | 0.14 |
| 44 | Commercial, Office & Household Equipment's | 1,049.52 | 230.49 | 0.14 |
| 45 | Agricultural Machinery | 907.11 | 201.02 | 0.12 |
| 46 | Glass | 824.28 | 179.92 | 0.11 |
| 47 | Earth-Moving Machinery | 741.28 | 169.85 | 0.1 |
| 48 | Tea And Coffee (Processing & Warehousing Coffee & Rubber) | 454.55 | 100.94 | 0.06 |
| 49 | Photographic Raw Film And Paper | 269.26 | 66.54 | 0.04 |
| 50 | Industrial Instruments | 304.26 | 65.95 | 0.04 |
| 51 | Leather, Leather Goods and Pickers | 273.58 | 60.73 | 0.04 |
| 52 | Timber Products | 243.04 | 49.98 | 0.03 |
| 53 | Retail Trading (Single Brand) | 204.07 | 44.45 | 0.03 |
| 54 | Boilers And Steam Generating Plants | 201.86 | 41.77 | 0.02 |
| 55 | Sugar | 174.64 | 39.56 | 0.02 |
| 56 | Coal Production | 103.11 | 24.78 | 0.01 |
| 57 | Scientific Instruments | 96.78 | 21.21 | 0.01 |
| 58 | Dye-Stuffs | 87.32 | 19.5 | 0.01 |
| 59 | Glue And Gelatin | 70.56 | 14.55 | 0.01 |
| 60 | Defense Industries | 17.68 | 3.72 | 0 |
| 61 | Coir | 9.56 | 2.02 | 0 |
| 62 | Mathematical, Surveying and Drawing Instruments | 5.05 | 1.27 | 0 |
| 63 | Miscellaneous Industries | 34,269.01 | 7,623.53 | 4.45 |

Sources: Authors Compilation

As it is very much clear from the above table, India has witnessed healthy inflow of foreign investment since 2001. This has helped the country to build a healthy FOREX reserve for its country and control its trade deficit. Service sector has played a very important role in attracting this attractive inflow of FDI for more than a decade now. As of FY2012, service sector was contributing nearly 19% of total FDI inflow in country. Trade policy implemented by the government has boosted the inflow in Service industry, which has generated employment and increased income level thereby increasing living standard of the country. In another study, it has been found out that software industry has been contributing to the development of income level and thereby controlling over trade deficit of India. Indian software service sector has been exposed to FOREX market because of its export nature and if India can appreciate its currency to a much stronger level than what it is at present then these software firms would be able to compete at international level and generate more revenue.

The following table gives information about FDI and GDP (at factor cost). It has been observed that during the period 2001-2009 India's GDP has grown by around 88% whereas its FDI inflow has grown by around 577%. There have been many factors contributing to this exceptional growth of FDI in India like vast unexplored and niche domestic market, growing spending capacity of Indian working class, low technical advancement of Indian firms etc.

Table-3: GDP and FDI Growth

| Year | FDI (Crores) | GDP (at factor cost)(in crores) |
|---------|--------------|---------------------------------|
| 2000-01 | 12645 | 1925017 |
| 2001-02 | 19361 | 2097726 |
| 2002-03 | 14932 | 2261415 |
| 2003-04 | 12117 | 2538171 |
| 2004-05 | 17138 | 2877706 |
| 2005-06 | 24613 | 3275670 |
| 2006-07 | 70630 | 3790063 |
| 2007-08 | 98664 | 4303654 |
| 2008-09 | 85700 | 3635496 |

Sources: Authors Compilation

Further, after analyzing individual sectors of Indian economy it has been observed that like many other developing countries, Indian service sector too is contributing high in terms of FDI inflow (nearly 27% post 2008). The exposure to global financial crises in 2008 had put some break on the accelerator but last few financial years have regained the momentum. The percentage inflow in service sector has shown a decreasing trend, which can be a reflection of movement of service sector towards maturity.

Table-4: Sector Wise Inflow of FDI and Percentage Contribution of Total FDI since 2007

| Sector | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | Cumulative Inflow (2007-10) | Cumulative Inflow (2000-12) | %age of Total Inflows (2007-10) | %age of Total Inflows (2000-12) |
|--------------------------------|---------|---------|---------|---------|---------|-----------------------------|-----------------------------|---------------------------------|---------------------------------|
| Service Sector | 26589 | 28411 | 19945 | 15053 | 24656 | 114654 | 145746 | 27.20% | 27.16% |
| Computer Software and Hardware | 5623 | 7329 | 4127 | 3551 | 3804 | 24434 | 50118 | 5.80% | 9.34% |
| Telecommunication | 5103 | 11727 | 12270 | 7542 | 9012 | 45654 | 57078 | 10.83% | 10.64% |
| Housing and Real Estate | 8749 | 12621 | 14027 | 5600 | 3443 | 44440 | 49717 | 10.54% | 9.26% |
| Construction Activities | 6989 | 8792 | 13469 | 4979 | 13672 | 47901 | 52253 | 11.36% | 9.74% |
| Power | 3875 | 4382 | 6138 | 5796 | 7678 | 27869 | 33214 | 6.61% | 6.19% |
| Automobile Industry | 2697 | 5212 | 5893 | 5864 | 4347 | 24013 | 30785 | 5.70% | 5.74% |
| Metallurgical Industry | 4686 | 4157 | 1999 | 5023 | 8348 | 24213 | 26963 | 5.74% | 5.02% |
| Petroleum and Natural Gas | 5729 | 1931 | 1006 | 961 | 14605 | 24232 | 42868 | 5.75% | 7.99% |
| Chemicals | 920 | 3427 | 1726 | 1812 | 36227 | 44112 | 47904 | 10.46% | 8.93% |

Sources: Authors Compilation

As it is very clear from the above table that post 2008 era has found service sector as the best sector in terms of %age inflow (around 27% for 2007-10 period). Computer software and hardware sector has shown good growth during the period and has contributed to growth of India's service sector.

CONCLUSIONS

Keeping in mind the humble beginning of India and the stage at which it is right now goes to show how much potential is present in this country and if the Indian government works on the determinants of FDI in service sector and other areas for improvement mentioned above and continues to support and assist the encouragement of FDI into India, there is no stopping India into becoming the number one destination for FDI in the world, far beyond China.

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THE ROLE OF DIVINE PRINCIPLE IN YOGA

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ABSTRACT

The Samkhya and the Yoga are so much inter-related in Indian philosophy that whenever any occasion arises of explaining or referring to the tenets and doctrines of the Samkhya, those of the Yoga also are not generally over looked. The two systems do not vary in their essentials. The word 'Yoga' is intimately connected with 'yoking of horses to the chariot'. The term 'Yoga' according to Patanjali's definition means the 'final annihilation (*nirodha*) of all the mental states (*citta-vrttis*)' involving the preparatory stages in which the mind has to be habituated to being steadied into particular types of graduated mental states. Classical Samkhya does not believe in the existence of God (*Nirisvara*) rather it gives proofs for the non-existence of God. Yoga on the other hand believes in the existence of God (*Sesvara*) but not as the creator, destroyer and the sustainer of the world. The present paper discusses the nature, proofs, functions and the role of God, the Divine principle in Yoga system, one of the oldest systems of Indian philosophy.

KEYWORDS

Indian Philosophy, Samkhya, Yoga, Nirodha, Citta-Vrttis, Nirisvara, Sesvara, God, Divine Principle etc.

INTRODUCTION

The tradition of classical Yoga admits only two transcendental categories, the self (*purusa*) and "nature" (*prakrti*). Hence, the question arises how the concept of the Isvara is to be understood. Patanjali anticipates this question and defines the Lord as a special kind of self. His specialness lies in that he was at no time embroiled in the play of Nature, whereas the self of any enlightened being can be said to have, at one time, been caught up in the illusion of its bondage to the mechanisms of Nature. More precisely, Patanjali states that the *Isvara* transcends the causes of affliction (*klesa*)¹, action (*karma*) and action's fruition (*vipaka*), as well as the deposits (*asaya*) in the depth-memory, which, in the ordinary individual, lead to repeated embodiment.

To make the special status of the *Isvara* quite clear Vyasa emphasizes that those who have attained to 'Transcendence' (*kaivalya*) are many². These multiple 'Transcenders' (*kevalins*) differ from the Lord in that they attained transcendence by severing the three bonds which Vacaspati Misra³ explains as:

- The natural (*prakrta*) bond of those who have merged into the Ground of Nature (i.e. the phenomenon of *prakrti-laya*).
- Modified (*vaikarika*) bond of the disembodied (*videha*) entities (such as the deities).
- The bond of sacrificial offering and so on (*daksina-adi*) of those who pursue the experience of divine and non-divine matters.

The Lord's relationship to the condition of transcendence pertains, as Vyasa⁴ puts it neither to the past nor to the future, that is, it is eternal. Vyasa adds: He is always liberated, always the Lord" (*sa tu sada eva muktah sada eva isvara it*). Vyasa also indicates that the Lord's eminence (*utkarsa*) results from His 'acquisition of a perfect *sattva* (*prakrsta-sattva-upadana*). That is to say, since the transcendental self, by its very nature, cannot intervene in the spatio-temporal processes of nature, the Lord must appropriate for himself a medium through which He can exert his influence. The highest expression of manifest Nature, as recognized by all Samkhya Yoga traditions, is that aspect or quality (*guna*) of Nature which has from ancient times been called *sattva*, meaning literally being-ness⁵ it conveys, as the name indicates, the idea of sheer existence, or presence. In combination with the qualities of dynamism (*rajas*) and inertia (*tamas*), it is thought to weave the whole web of manifestation.

Vacaspati Misra makes clear the perfect *sattva*, which Vyasa speaks, is devoid of any trace of *rajas* or *tamas*. This is strikingly different from the position of the author of the *Yukti Dipika*⁶. This work speaks of the Lord's occasional assumption of a glorious body (*mahatmya-saria*) which consists of *rajas*, even though his proper medium is constituted predominantly of *sattva*. The Lord appropriates such a perfect *sattva* for the gratification of beings (*bhuta-anugraha*). We know from the *Yoga Bhasya*⁷, that the Isvara favors the *Yogin* who is intent on him. Does he favor only *Yogins* or all beings? The phrase gratification of beings' suggests the latter. This is made evident in a passage where Vyasa⁸ has the Lord Ponder "Through instruction in morality and wisdom I shall uplift the world-bound selves, at the end of the age or at the great cosmic end". This resolution is a sufficient motive. The lord, as Vyasa affirms, is above self-gratification (*atma-anugraha*). The motive is selfless compassion (*karuna*), as is acknowledged by Vacaspati Misra⁹. He makes the point that the Lord's compassionate instruction of beings is to be distinguished from the compassionate instruction engaged by such enlightened beings as Kapila, the legendary founder of the Samkhya tradition. As Vacaspati Misra emphasizes, Kapila's own enlightenment was due to the compassion (*anukarunya*) of Mahesvara (Siva) alone.

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Vacaspati Misra also explains that being uplifted means to attain to transcendence. Nevertheless, this interpretation seems too extreme, unless one has to assume that the Isvara liberates all beings regardless of their spiritual condition. If Liberation is guaranteed, there will be no motivation to observe the moral law given by the Lord, nor apply His wisdom to life. The Lord's acquisition of a medium of pure *sattva* is, not the result of ignorance. As Patanjali states, the Lord is untouched by the causes of affliction of which the root-cause is nescience (*avidya*). Vacaspati Misra concedes that the Lord appears to behave as if he were under the spell of nescience. He compares him to an actor who acts out his role without becoming confused about his real identity. Vacaspati Misra elaborates Vyasa's theology. Thus he argues that the Lord is not only eternal, but also responsible for the creation and dissolution of manifestation. The world is dissolved into the transcendental ground of Nature (*prakṛti*) when the Isvara resolves to assume a perfect *sattva*. This resolution (*pranidhana*) causes an impression (*vasana*) in the Lord's consciousness-*sattva* (*citta-sattva*). His consciousness-*sattva*, carrying the imprint of this resolution, tends towards homogeneity with the transcendental Foundation (*pradhana*) of Nature. The Lord's consciousness (*sattva*) assumes the condition of *sattva* and is not dissolved together with the rest of manifestation. Vacaspati Misra proposes that the relationship between the Lord and His *sattva* is an eternal one. The Lord's appropriation (*upadana*) of a perfect *sattva* is a continuous act. In addition, it is through the medium of this *sattva*, which can retain the imprint of His resolution, that He fashions the manifest cosmos out of the transcendental ground of Nature only to dissolve it again at regular intervals.

According to Vacaspati Misra¹⁰, the Lord necessarily has a rather delimited sphere of activity, which is confined to the removal of obstructions in the moral nature of beings so that they can nature spiritually and thus ultimately discover that man is neither mind nor subtle body, but the power of consciousness which does not conjoin. Vacaspati Misra argues that these activities of world creation and destruction as well as spiritual uplift could not possibly be ascribed to more than one being, which would be like having an assembly (*parisad*). For the same reason he rejects the idea of different transcendental selves assuming the role of the Isvara by turns.

Interestingly enough, the transcendental selves and a multiplicity of selves distinctly recognized by Vyasa and Vacaspati Misra are not without agency or influence. Vyasa speaks of the self as being an instrumental cause (*hetu*) in relation to the first evolute of *prakṛti* the *linga-matra*¹¹. The casual nexus (*anvaya*) is inherent in *prakṛti* itself so that the unfolding of manifestation follows its own laws. Patanjali postulates that objects, i.e., the manifest forms of Nature exist for the sake of the worldly experience (*bhoga*) or the liberation (*apavarga*) of the self. However, as Vyasa explains, experience and liberation occur only in relation to the individualized consciousness (*citta*), but in no way affect the self itself. He employs the simile of an army commander who is credited with victory or blamed for defeat, whereas the actual fighting is done by his soldiers. The seen (*drśya*) which refers to any form within the compass of manifest Nature is noticed by the apperceiving self. Vyasa compares this cognitive process to that of a magnet which becomes efficient through sheer proximity.

The teleology of *prakṛti* is an important Samkhya Yoga concept. This inherent Nature is inferred from the fact that Nature (*prakṛti*) is a composite and like all composites, does not exist for its own sake. This argument, which is not convincing, has its parallel in Christian Scholasticism. Since *prakṛti* does not exist for its own sake, it can only exist for the sake of the Transcendental Reality, the Self. The Sanskrit exegetes did not ask the question of whether Nature might not exist specifically for the sake of the Lord (Isvara), although they otherwise affirm His special ontological status.

Again, the self exists for its own sake. According to Vacaspati Misra¹², "Everything exists for the self but the self exists for no one else". As Patanjali¹³ notes, there is an obvious correlation (*samyoga*) between the seer (*drastr*) and the seen (*drśya*) or the manifest realm of Nature. According to Vyasa, this correlation is without beginning (*anadi*). It cannot be traced back in time. But, it can clearly be terminated, as is demonstrated in the event of liberation, and indeed, this termination is the great *opus* of Yoga. The termination of this natural correlation coincides with the perfect transcendence of the most fundamental or highest mode of Nature, which is the *sattva* quality as it is present in the cognitive apparatus, the *citta*. This transcendence consists in the reinstatement of the perfect autonomy of the self, which is not of doer, but the transcendental witness. In the words of Vacaspati Misra¹⁴ "Liberation is the experience of the distinction between the self and the *sattva*". This explanation appears to contradict Patanjali's¹⁵ own definition of transcendence (*kaivalya*), which presupposes the cessation of even this apperception of the distinction between the self and the *sattva*.

Now of liberation, the self and the mind's *sattva* shine forth in equal purity. Then the illusion of being a separate, experiencing entity or body-mind is shattered. As Vyasa makes clear, this liberation occurs for the theist (*Isvara*) as much as for the atheist (*anisvara*), just as it occurs for anyone who partakes of the knowledge born of discernment (*vivekaja-jnana-bhagin*). However, Vacaspati Misra understands these two terms differently, though his statement is somewhat obscure. He seems to hold that Isvara refers to that *Yogin* who is endowed with the powers of wisdom and action that is, who has supernatural faculties, as developed in the course of a full *Yogic* program.

The economic interpretation of these two concepts, '*Isvara*' and '*Anisvara*' as theist and atheist respectively, is the more convincing. It ties in with the fact that Patanjali did introduce the whole notion of devotion to the Lord as a matter of choice. In theory, a follower of Patanjali Yoga of the Isvara is central to his philosophy. In practice, a follower of Patanjali Yoga may disregard the Lord's existence without the risk, although this does not seem a very likely course of action. Devotion to the Lord (*Isvara-pranidhana*) is listed among the constituents of both *kriya-yoga* and the observances (*niyama*) of the eight-fold path that has come to be so exclusively associated with Patanjali.

The doctrine of the Isvara is an unconvincing craft upon the dualistic metaphysics espoused by Patanjali. However, this is too shallow a view, which ignores the theistic or, rather, pan-en-theistic pre-classical heritage of Patanjali's school of thought. It also pays no attention to the experimental dimension of Yoga and its long history of encountering the numinous, which readily lends itself to a theistic interpretation of sorts.

It cannot be denied that the concept of the Isvara, as formulated by Patanjali and his exegetes, fits ill into his dualistic system. Yet one should not overlook the fact that its inclusion might have met primarily psychological rather than philosophical needs or the diplomatic purpose of appeasing the authorities of mainstream Hinduism. That is, the concept of Isvara may have been felt necessary in order to account for certain *Yogic* experiences. This explanation is not discredited by the fact that Patanjali¹⁶ also acknowledges the possibility of making contact with one has chosen deity (*ista-devata*) because of self-study (*svadhyaya*). He manifestly distinguishes between this kind of contact with a higher being and devotion to the transcendental Lord, which devotion well may lead to numinous encounters. Patanjali¹⁷ appears to address the issue of possible proof for the existence of Isvara briefly and enigmatically, giving rise to much exegetical elaboration. His aphorism "In Him the seed of omniscience is unsurpassed" has generally been interpreted as being the equivalent to the ontological proof of the existence of God proposed by such Christian theologians as St. Augustine and St. Anselm.

Vyasa¹⁸ expounds thus: "Super-sensuous knowledge (*atindriya-grahana*) of the past, the future, or the present singly or collectively, great or small is the seed of omniscience. He in whom this seed grows unsurpassed is omniscient". Antagonists should abuse this inferential argument to prove the supremacy of, say, the Buddha. Vyasa adds that it has only a general thrust and therefore is not applicable to individual cases. These have to be decided based on tradition (*agama*), by which he undoubtedly means the true tradition of Yoga, which reserves this supremacy for the transcendental Lord.

Why Patanjali speaks of the *Isvara* as the 'Teacher' (*Guru*) of earlier sages who might possibly even belong to earlier world cycles? Is this merely a concession to popular theistic notions, vindicating the idea of the transcendental authorship of the Vedas? Sankara¹⁹ states the Supreme Lord, in the form as described, is 'the Teacher of the earlier teachers' who instruct in all the related means and ends for prosperity and for the *summum bonum* (*nihsreyasa*) which is liberation. The meaning is that He creates even their knowledge and instruction, because of the arising of all knowledge from Him, just as sparks arise from a flame or salt particles from the briny ocean". The metaphor of the sparks of fire and salt particles, a didactic device familiar to the students of the Vedanta school of thought, is usually applied to the relationship between the individuated self (*jiva*) and the transcendental Reality (*Brahman*)²⁰. It designates the peculiar dependence of the knowledge in finite minds upon the perfect knowledge in the Lord's consciousness-*sattva*. The distinctly *Vedantic* flavor of this interpretation can be thought to point to both the metaphysical learning of the author of this commentary and to the non-dualist, epic or pre-classical roots of Patanjali's Yoga.

Sankara goes on to defend the doctrine of the Lord's association with a pure *sattva*. He argues that the Lord's *sattva*, though perfect, is in fact manifest and therefore determinable, while still transcending time. He further states that the knowledge that springs up in it also transcends time and is of the nature of the essence of the *sattva* (*sattva-svarupa-vat*). He argues that the Lord's role as original Teacher is not only revealed by the Scriptures, but also proved by inference relative to the fact of creation. This presumably means that the Lord's teaching function is inferred from the fact that all knowledge must have a beginning.

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1. *avidyasmitaragadesabhinivesah klesah* // Ibid. II. 3.
2. The word '*kaivalya*' is the gunated form of '*kevala*' and means literally 'aloneness'. This phrase reminds one of Plotinus use of the Greek term in '*monos*' for the soul and the divine.
3. *Tattva Vaisaradi*, I. 24.
4. *Yoga Bhasya*, I. 24.
5. The notion of the *sattva* is one of the most interesting of Indian ontology. It also belongs to its most ancient vocabulary. In its earliest conception, it applied to both microcosmic (psychic) and macrocosmic referents. Subsequently the term was increasingly restricted to the psychic dimension.
J.A.B. Van Buitenen, Studies in Samkhya III. *Journal of the American Oriental Society*, 77, 1957, pp. 88.
6. *Yukti Dipika*. LXXXIII. 25.
7. *Yoga Bhasya*, I. 23.
8. *Ibid*, I. 25.
9. *Tattva Vaisaradi*, I. 25.
10. *Ibid*. IV. 3.

11. *visesavisesalingamatralingani gunaparvani* // Yoga Sutra. II. 19.

Patanjali's (Yoga Sutra II. 19) Concept of Linga matra is identified by Vyasa's Yoga Bhasya II. 19. as the great principle (maha-tattva) or mere being-ness (satta-matra) whose only characteristic is that it exists. It is the first evolves to emerge from the sign-less (alinga), the undifferentiated transcendental ground of Nature. The linga- matra is pure differentiated existence but without any qualities and can be compared to the Neo-platonic concept of nous.

12. *Tattva Vaisaradi*. II. 20.

13. *drasthadrsyayoh samyogo heyahetuh* // Yoga Sutra. II. 17.

14. *Tattva Vaisaradi*. II. 21.

15. *Yoga Sutra*. III. 49, 50.

16. *svadhyayadisthadevatasamprayogah* // Ibid. II. 44.

17. *tatra niratisayam sarvajnabijam* // Ibid. I. 25.

18. *Yoga Bhasya*. I. 25.

19. *Yoga Bhasya Varttika*. I. 26.

20. See Vijnana Bhiksu's employment of this metaphor in his *Yoga Varttika*. I. 26. in explaining the relationship between the Isvara and the individual beings.

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LOCAL BODIES ADMINISTRATION IN THE HILLS OF MANIPUR

Dr. Maryrose²² Dr. Ng. Ngalengnam²³

ABSTRACT

Manipur consists of two main groups; i.e. the valley and the hills. It is the hill areas that surround the valley. The valley is thus located at the central part of the state. People of the hills are again divided into two major groups; the Naga and the Kuki. Despite some differences between these two groups, all the system of administration based on customs is more or less the same. The paper discusses some of the features of the traditional practices of the village settlement, the formation of the village council and the powers and functions of the head of the village. It also presents the new system of administration introduced by the government and points out the issues and problems faced by local authority bodies.

KEYWORDS

Local Bodies, Naga, Kuki, Village, Traditional Village Council etc.

INTRODUCTION

Manipur is a state comprised of the hills and the valley. The capital or central part of the State is the valley wholly surrounded in the East by Ukhrul District, West by Tamenglong District, North by Senapati and the South by Churachandpur district. Manipur is thus the place of two groups i.e. the plain people or the Meetei and the hill people or the tribal. A very peculiar dilemma of the Manipur State is that only 10% of the total area of the state belongs to the Central Valley whereas the rest of the very huge part belongs to the hill. In the same way, in spite of the very small size of its area, around 70% of the total population inhabits in the Central valley and the, rest in the hill areas¹. The valley is thus the central part in the location of the state wholly surrounded by the hill areas.

The hill areas of the State are mainly inhabited by the tribal people. Again there are various groups among the tribals. But in general, those various groups are divided into two major groups a) The Naga and b) The Kuki. As per record of 2001 census altogether we have 2391 inhabited villages in the hill areas of Manipur. When we undergo a study on the body represented for the administration in each village a thorough study would help to bring an amicable understanding for public general. Though the State of Manipur is inhabited by two major tribal groups all the practices based on tradition, is more, or less the same that only in some particular area like land holding system, some differences may occur. The studies on the traditional administration, the sole administrator, its power, its relation with the general public and also the new provisions made from the side of the government and their applications there under may be had as under.

TRADITIONAL VILLAGE COUNCIL

From time immemorial, the hill tribes of Manipur remained independent from any foreign domination. As mention earlier many villages got the recognition of their village location differently from the government of the state. The tribal people are known for their peculiar feature that they borrowed nothing from any country. Whatever they practice in life - socially, culturally, politically have originated within them or in other words, it is an age-old practices from their forefathers. However, it is noted that 'Education' no doubt is the only field that the people of Manipur started learning from the British when the British entered into the State of Manipur². Another distinct and interesting feature of the tribal society of Manipur is the observation of festivals, amusements etc. These people observed different kinds of festivals which are characterized by feasting, drinking, dancing and singing. Celebration of various festive occasions generally took place in the tribal society. Ever since its inception no forms of changing or addition has been made so far but no doubt that in some manner modification of the same kind has been adopted to some extent.

Manner of Village Settlement

The tribal lives in villages. They settled very well in clearly defined territories. Before the establishment of any village, each group has got their chief as the headman. The setting up of a village is not carried out easily. However, when any village is about to be set up, the people under the leadership of the headman first performed religious rites as a sign of getting permission from the gods. It was their belief that when they collected a good amount of food grains in that year, their gods permitted them for their permanent settlement³. The main duty of the village headman is to make their villagers live a comfortable life in the village and as such it was his duty to offer necessary sacrifices in the form of worship to their gods periodically. Therefore, the condition of the life of people in the village largely depended on the role played by their headman.

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Further, during settlement of a new village, great care should be taken on the boundary line of the village which is demarcated by putting stones on the four sides. The demarcation in this regard is usually done on the first day of the village settlement by offering a kind of sacrifice to the creator by making a vow and saying that whoever moved away the boundary stone should be the first to die⁴. This is the reason why every village whether small or big could settle permanently as an independent unit.

VILLAGE STRUCTURE

Every village in the tribal's whether small or large is set up as an independent unit. They are considered as a community for all religious, festivals and taboos. The villages were isolated from one another; trade relation was also a very rare practice. There was of course, a trade relation between villages but it was taken up only after the suspension of all hostilities during their age-old festival like Luira (seed sowing festival) in Tangkhul. The villages usually lived in a constant state of disputes even though the origin of the quarrel would be centuries old. The tribal villages rare located on the hill-tops and are not shifted since its inception. Though they may be facing a lot of communication problems due to the location of their shifting fir they are lovers of land⁵.

The villages in the tribal area had sufficient forest wealth and land of their own. Each household enjoy owning its land individually. But there is also 'Common land' that belongs to the entire village. It is mainly used by the landless people if any and also used for grazing ground for cattle and for collection of firewood for all the villagers.

VILLAGE ADMINISTRATION

In the tribal society, headman or chief of the village play key role in the administration of the village. Every village is entitled to have its own King whose office is hereditary. A village consists of groups of families or clans. Each clan has also its own head is also hereditary. This head of the clan again represents his clan. The king of the village runs the village administration with the help of council which is represented by the eldest male child of the head of each clan. In case of failing to have a male child, it goes to the next nearest relatives of the parental family and goes on. Another distinct feature of the tribal society in Manipur is that of the observation of festival, amusements etc. There are different kinds of festivals which are characterizes by feasting, drinking, dancing and singing. As such, various festival occasions are usually celebrated by the tribal people⁶.

The tribal people live in complete isolation not only from the rest of the world but also from each other as well. They usually lived in forested mountains and they depend on sowing and harvesting of paddy for their livelihood. Brewing of rice beer, singing, dancing, head hunting are all part of life activities in the case of Tangkhul Nagas. However, this activity of Tangkhul Naga was stopped by Pan Britannica when the hill areas of Manipur also came under the British Control⁷. Though the British controlled the tribal areas, their way of life did not change drastically from the way their forefathers had lived in when they had settled down centuries ago in this remote, strange and lovely corner of the earth. The village in hill areas is set up as an independent unit in the field of economic and politics and each village again is well demarcated to avoid inter-village feud.

THE VILLAGE COUNCIL: POWERS AND FUNCTIONS

In the tribal society, every village has got a council known as the, village council. This body is usually headed by the Chief of the village. It is the main governing body of the village. The members are depended on the size of the population where in actual practice; each and every clan has a one member representation and who also happens to be the head of the clan. In case the situation arises as the head of the clan normally is the ex-officio Chairman of the Council, this will be followed by chosen a councillor again from the head of each sub-clan. The needful qualification for the councillors is to get married which shows a man's maturity and who is also eligible to hold the office of the councillor. As in the case of village headman, the holding of office by the councillors is also a hereditary system. In case, the chief of the clan happened to be unable person for councillor, due to health problem, then, he would choose from his nearest relative and again if it is also failed to produce a reasonable person, then he may choose from any member of the same clan. The headman of the village is entitled to receive the head portion of each animal cut during festivals or any kind of village - related function celebrated by killing animals whether big or small. In the same way, all the members of the Council are also entitled to receive a portion of meat⁸.

Executive

The village council functions and holds issue and executes its power in the administration of the village. This council can decide disputes which are of two kinds: Private and Public. Private disputes are the disputes taken place between two or more persons whereas public disputes are the disputes that all the villagers get involved in it. The village council acts not only as the responsible body to settle, disputes kind but it also responsible for the effective implementation of its decisions.

Every villager in the tribal society is supposed to know very well about the traditional laws, customs and usages. Accordingly, no one is excused of ignoring it. The village council has got its executive power to punish any villager who is guilty of breaking any time-honoured law of the land⁹.

Administrative

It is considered as the highest Court of Justice among the tribals. The Court handles any kind of disputes or differences occurred

between families belonging to the same clan when the elders belonging to the same failed to settle it. In the tribal villages all the cases or disputes are tried and settled according to the administrative functions of the council includes - the maintenance of the village water supply and footpaths, school and dispensary, construction of new paths and bridges across streams and rivers which are in a difficult situation to cross.

The administrative duties are wholly taken care of by the village council having constant consultation with the Chief of the village. The village council usually holds meeting and discuss any matter which is considered necessary for the villagers as a whole. The Council in consultation with the headman fixed all the dates of the village festivals and makes proclamation of religious ceremonies and taboo observations. The tribals, especially the Tangkhul is a society which has an interesting custom of the observation of mass hunting and fishing days. The fixing of these days is done by the council.

The village council is the custodian of the village fund or finance. When we say finance, we mean money. But in the tribal villages, till recently, there was no any account of money or monetary fund but the only common practice they had as a form of income for the village is that annually every family contributes 1/10th portion of the paddy they owned in the year. This is done usually every after the harvest and the collected paddy is stored in the village granary. This stored paddy is used for the villagers as a whole especially during rainy days when the entire village happened to reap a poor crop. Further, this is used for the families who failed to have sufficient crop due to crop failure in a particular year. The village council utilize this stored paddy by distributing to the needy section in the village with its discretion¹⁰.

Judicial

Every village in the tribal areas has got its own village Court. The councillors headed by the headman acts as its members. This court is customary laws of the land. In other words, it can also be said that separation of powers was not put into practice in the tribal society as far as any settlement of dispute is concerned. The laws were customary and divine in nature. So, justice in the society was based on the belief that right action brings victory, the just was to be rewarded and the unjust to be punished¹¹.

INTRODUCTION OF MODERN DEMOCRATIC LOCAL BODIES

When the colonial mile lapsed in Manipur a new regulation called the Manipur State Hill People (Administration) Regulation, 1947 was passed. Under this regulation, the administration of then hill people of Manipur was placed under the Maharaja-in-Council¹². The hill territory was divided into circles and sub-divisions. Accordingly, in each village of 20 tax-paying houses or above, village authority was established by replacing the traditional age old village council. This body consisted of the Chief and elders nominated in accordance with the customs of the concerned village. Above the village Authority, there was a Circle Authority comprising one circle officer and a council of five members elected by the village authorities falling within the circle¹³.

The Circle authorities could exercise executive power over law and order, levy assessment or collection of taxes on houses, produce of land, lower and upper primary education, construction and maintenance of bridle-paths, public health, personal hygiene, clean water supply, maintenance of land records etc. Criminal justice was administered by the court of the village Authority, the Court of the Circle Authority, the hill bench of Imphal and the Chief Court of the Manipur state as constituted for the trial of hill cases under the Manipur State Courts Act, 1947. The Court of a Village Authority settled cases relating to theft, cattle theft, and the illegal slaughter of animals, simple hurt and assault. The court of the Circle Authority or the circle bench exercised.

Authority on adult franchise by repealing the Hill People's Regulation of 1947. The powers of a magistrate of the first class and comprised the circle officer and any two members of the circle Council. The hill bench of Imphal exercised by the powers of as Session Court and comprised a judge of the Chief Court with two hill men as judges.

In order to enhance people's participation in a democratic manner from the grass root level, the State Government of Manipur passed an Act again called the Manipur (Village Authority in Hill Areas) Act 1956. This has brought as a first instance of holding of elections of the members of the Village composition of the village Authority was fixed as follows: ¹⁴

- Five members where the number of tax-paying house in the village was not less than 20 but not more than 60;
- Seven members where the number of taxpaying houses was more than 60 but less than 100;
- ten members where the number of tax-paying houses was more than 100 but not more than 150;
- Twelve members where the number of tax-paying houses was more than 150.

According to this Act, the chief was the ex-officio Chairman of the authority and the term for the members so elected was fixed at three years from the date appointed for its first meeting¹⁵. In the meantime, this Act of 1956 had amended by the State legislature in 1983. The significant features of this Act are:

- The constitution of a circle village Court (CVC) for a village or a group of villages comprising a population of 1,000 to 3,000 and a maximum number of five members who were appointed by the Government on the recommendation of the Deputy Commissioner of the concerned area.

- Every rule made either in the VAs of CVCs was to be laid before the hill standing committee and then to the legislative assembly which had the final authority to modify or annual the rule so made or recommended.
- No transfer or allotment of land is made to the non-tribal without the prior permission in writing of the Deputy Commissioner of the concerned district. In this case and under the prevailing rules of the District Autonomous Councils, the Commissioner had to secure the consent of the Council.

In the year and on 14th June 1967, the state legislature passed an Act called the Manipur Hill Areas (Acquisition of Chief's Rights) Act, 1967. This Act authorized the government to acquire the rights, title and interest of Chiefs in and over land in the hill areas of Manipur. The chiefs were to be compensated under such conditions that:

- The amount of land under Chiefs;
- The total number of households within the Chiefdom;
- Whether compensation was to be given in instalments or as a lump sum.

In spite of all the provisions and passed as an Act by the State Government this Act could not be implemented mainly opposed by the Chiefs of the hill areas.

The Manipur (Hill Areas) District Councils Act: 1971

So far, the final and the last provisions for the hill areas Manipur is made through an Act passed by the Parliament of India as a tool of establishing self-governing institutions in the hills is that of the Manipur (Hill Areas) District Councils Act 1971. Accordingly, six Autonomous District Councils have been established in then hill districts of Manipur with eighteen members each to be elected and two members each to be nominated. The established District Councils are:¹⁶

- The Manipur South Autonomous District Council, now Churachandpur,
- The Manipur North Autonomous District Council, now Senapati,
- The Manipur East Autonomous District Council, now Tamenglong,
- The Manipur Sadar Hills Autonomous District Council,
- Tengenoupal Autonomous District Council, now Chandel.

Since its inception three consecutive elections to the District Councils have been held at the right intervals¹⁷ i.e.

First - 22nd May 1973
 Second - 14th November 1978
 Third - 22nd February 1984

Due to provisional problems the only implemented Act of the Hill areas, ceased to operate since then. The Government of Manipur then made a favour of operating this Council Act by making some amendments especially on the powers and functions of the members of the Council and on the executive head of the council.

Accordingly after a huge gap of more the 20 years, efforts were made to conduct an election in all the District Councils of Manipur in the year 2010. No doubt as an effective tool to achieve their desired goals, the hill people of Manipur responded positively. But unfortunately elections could not conduct in full swing due to the objections put the Naga People. The council thus failed its own working in the Naga inhabited tribal areas.

RELATIONSHIP BETWEEN VILLAGE AUTHORITY AND DISTRICT COUNCIL

Both these bodies represent a self-governing institution at different levels i.e., the grass root level. Both have a representation by members falling within the concerned area. There is no specific area where these two organisations share power. Though the Manipur Village Authorities in Hill Areas Act, 1956 was passed with a provision of having, a representative form of Government even at the village level, practically, it is not implemented. Tribal people are tradition loving people. So, instead of adopting the new system, they just ignored and rather continued their traditional Village Council.

Therefore, this Village Authority is a body with its members represented from the head of each Clan or by having internal arrangement in order to have a representation from each Clan of the Village.¹⁸ Traditionally; this authority is headed by the Chief of the village. There is no fixed term for tenure of headmanship. There are also cases in the tribal villages that instead of holding the post of headship in the authority by the Chief, sometimes changes take place. In this case, the authority members are elected for a fixed term which varies from village to village and its Chairman i.e., the head of the authority is also selected from amongst themselves. This is not a compulsory adopted practice.

However, District Council is a body whose members are to be filled through election and for a fixed period of time. In exercising its power, there is no picture of implementing customary practices as in the case of Village Authority. These bodies are thus the points to implement the laid down rules or provisions made from the side of the government.

ISSUES / PROBLEMS FACED BY THE LOCAL AUTHORITIES/DISTRICT COUNCILS

Practically, when we speak on the problems faced by the Village Authority is that- each and every village is set up independently, having its, authority members to run the village administration according to their own traditions based on customary laws. Enforcing any kind government rules and laws by suspending their practices is not the right means for their peaceful settlement. Time may change and government may go, but the desired goal of the tribals may continue to uplift until and unless it is served through their traditional village authority.

The Village Authorities in most of the tribal areas may not be established according to the norms laid down by the Government of Manipur. Majority of the Authorities are their traditional practices. A very positive aspect the hill's authority came to enjoy is that enough efforts are made by the State government to reach the every corner of the Villages.

A very positive aspect from the side of the Government of Manipur is that every provision is reached to each and every village of the tribal area. No scheme whether big or small is neglected even the villagers situated at the extreme corner of the hill areas. Though the village authority is set up not according to the government norms, the government is very sincere in dealing with all the activities or provisions meant for the tribal villages.

However, in the case of District Council, a very sorry for the public in general and the politicians in particular is that though the District Councils are set up under the framed rules and regulation as an independent unit it cannot function even a single role in the concerned area of administration. All the powers and functions are just a mere laid down rules. The councillors are forced to surrender before the higher authority i.e., the State government. There is not even a single field where a council can organize independently. All the Councillors work only at the mercy of the minister of the state¹⁹.

POSITION OF WOMEN

In the tribal society, women were traditionally held in a very high status. During the head-hunting days, especially in the Nagas, women were escorted by the man of the village while going to the paddy fields²⁰. Every woman never felt that she belongs to the weaker section. The mother plays the main role in running the household. The majority of domestic affairs are in her hands. She is consulted by her husband in all domestic and family affairs. These are the times where the women are not pictured in holding authority at any level.

In the changing scenario of our society, the concept on women position has now come into changing. Women even enjoy the provision of reservation of their seats through an Act passed by the government. In the case of Manipur valley women, they enjoy Panchayati Raj Act, 1994' not provision. According to section 25 (ii) of 'The Manipur less than one-third of the total number of offices of Pradhan and Upa-Pradhan, as the case may be of the Gram Panchayat in the district shall be reserved for women²¹. Again, in the 'The Manipur Municipalities Act, 1994' under section 17(I)(ii) not less than one-third of the total number of seats reserved for Schedule Caste or Tribes as the case may be, shall be reserved for women belonging to the scheduled Caste or Tribe²².

In spite of all these provisions for the women in valley, the women of the hill areas of Manipur failed to have any reservation of their seats whether in the village level or district level. Though there may be no restriction of their participation in the political affairs, there is no any specific constitutional provision for the women in the tribal areas of Manipur so far. This is one of the constraints put for them which needs to have some modifications in the already effected government Acts or Rules so that women specially of the hill areas may have wider popular participation in the local level, whether in the village or district level.

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A STUDY ON IMPACT OF SERVICE SECTOR IN INDIAN ECONOMY

A. M. Mahaboob Basha²⁴ Dr. P. Chenchu Reddy²⁵ M. Vikram Kumar²⁶

ABSTRACT

Economic development is essential for every, country, which represents the percapita income of the nation. The present population of the country is around 123 crores. In India, considerable GDP is receiving from service sector i.e. 56.9% as per 2012 statistics, and from Agricultural sector it is 17.6% and from industrial sector it is 25.8%. It is evident that much GDP is generating from Service sector. It is not from 2000-2012 it is from 1950-2012. The trend of the service sector is in ever-increasing stage. This paper explains about what is the importance of service sector in Indian economy. In which areas the service sector is showing high growth rate, and less growth rate, and also this paper concentrates, people dependent in service sector and in Agricultural sector and in the industrial sector. The comparative analysis between developed economies like US, UK, Japan, Australia, and developing economies like India, China and others. This paper explains about how our economy is developing from 1951-2013.

KEYWORDS

Service Sector, Indian Economy, Agricultural Sector, Industrial Sector etc.

INTRODUCTION

There are three sectors in every economy they are 1) Agricultural sector 2) Industrial sector 3) Service sector. In India huge amount of GDP has been generating from Service sector which include **Financial services, Insurance, Education, Mass & Entertainment media, hospitality, Information technology, BPO (Business Process Outsourcing), Storage, warehousing, Transportation**, etc., The mentioned areas are the service sector areas, from where economy has been generating. In India the total population around **123 Crores**, in **2012**-year statistics nearly **56.9%** is **GDP** is generating from service sector. Even from well-developed economies from **1951-2010**, the most of the situations economy has been generating from service sector. Even well developed economies like **INDIA** and **CHINA** and Other economies have been depending upon Service sector. In early starting stages of the economy, most of the economies are equal priorities for manufacturing sector, when years are passing the economy slowly turned into towards service sector.

In India information technology is in considerable state because, the GDP generating from Information technology (IT) is high. It has been providing huge number of employment opportunities also. In India from Industrial sector, it is around **25.8%**, and from Agricultural sector, it is **17.6%**. In India the dependents in Agricultural sector is high as compared with service sector and industrial sector. This could be the main reason why economy of the country still it is in developing status. If the dependents in Agricultural sector turns to either industrial sector (or) service sector, the Percapita income of the people would increase which results to improve the standard of living of the people. The Growth rate in GDP of every country is essential to avoid problem like balance of payment. There are many government national and international reports will explain about the Indian economy from 1951-2012, how it is developing and in from which areas the economy of the country is depending. The developed and developing nations economy is mainly depends up on service sector. UK, US, Japan, Brazil, India, China, and other economies mainly depends on service sector.

REVIEW OF LITERATURE

According to web results in India, there three sectors which plays prominent role to develop economy. Among three sectors, service sector plays prominent role not only in India but also even in developed economies also. India's huge GDP derived from service sector nearly 56.9% as per 2012 statistics.^[1] According to some analysis, in India the highest service sector growth can be seen in Metropolitan cities, like Delhi, and Chandigarh, and very less growth rate can be seen in Arunachal Pradesh, and Chhattisgarh. Even in the Kerala, the growth rate of service sector is also high. Even compared with world economy the service sector from India is in high growth. The export from service sector to other countries is also high ^[2].

According to Government of India Planning Commission New Delhi March 2008, the growth rate of service sector is high especially in service sector the growth rate of information technology has been growing very rapidly.^[3] According to some analytical framework service sector performance is high not only in developing economies it is also high in well developed economies. The well-developed economies like **US, UK, Japan** and **Brazil** countries GDP is mainly depends on the service sector. Even in **INDIA** and **CHINA** the economy of the country is depends on service sector ^[4].

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According to some research papers the service sector activities are Transports, Storage, Telecommunication, hospitality, financial services, banking, insurance, warehousing, and other allied activities are playing prominent role to develop economy from 19th century to 20th century [5].

OBJECTIVES OF STUDY

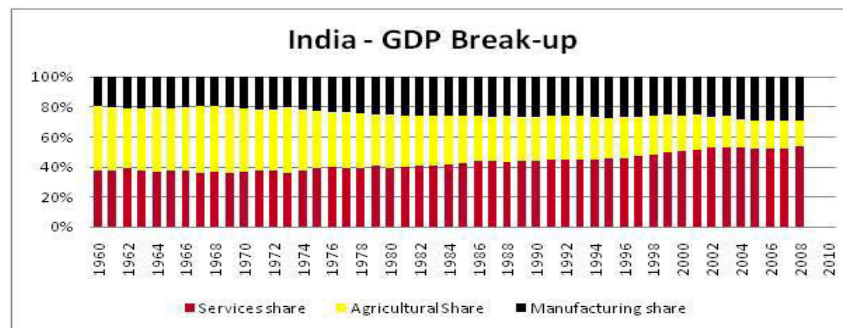
- To know the impact of service sector in India economy.
- To know the developmental areas in the service sector.
- To understand the economic conditions of the country.
- To analyze economy, and to provide suggestions to improve the existed status of the economy.

STATEMENT OF PROBLEM

To know the impact of service sector in Indian economy; and to find out different areas where the service sector activities are increasing.

RESULTS AND DISCUSSIONS

Graph-1



Sources: On the Growth of the Services Sector: *Satya P.Das and Anuradha Saha*, Indian Statistical Institute - Delhi Centre Current Version: October 2011

In India also, there is a same trend, which developed economies are following, like US, UK and Brazil. In India in the year of 1960, the share contributed from Service and manufacturing sector is almost same. The importance to service sector is gradually increasing from 1960 to 2010. From the year of 2012 it is mainly depends up on service sector. This is around 60%. There is a considerable factor which we have to understand the population of the India is around 123 crores, the dependents in agricultural sector is high, and the dependents in service sector is less. The most of the GDP to economy is generated from service sector, but not from agricultural sector and industrial sector. In agricultural sector the dependents are increasing, which reviles low percapita income. To avoid this kind of problem the dependents in agricultural sector should decrease and dependents in service sector should gradually increase. When dependents in service sector gradually increased, the percapita income of the economy also gradually increases.

Table-1

Table 1A: Decadal Sectoral Growth Rates in India - 1951 to 2000

| Sector: | (Per cent per annum) | | | |
|---------------|----------------------|-----------------|----------|--------------------|
| | Agriculture + | Manufacturing + | Services | GDP at Factor Cost |
| Decade | | | | |
| 1951-60 | 2.68 | 5.78 | 4.10 | 3.62 |
| 1961-70 | 1.50 | 5.49 | 4.49 | 3.23 |
| 1971-80 | 1.72 | 4.45 | 4.55 | 3.39 |
| 1981-90 | 2.91 | 6.46 | 6.63 | 5.24 |
| 1991-00 | 3.27 | 6.27 | 7.66 | 6.02 |

Table 1B: Decadal Sectoral Composition of Output in India - 1951 to 2000

| Sector: | (Per cent of GDP) | | | |
|---------------|-------------------|-----------------|----------|--------------------|
| | Agriculture + | Manufacturing + | Services | GDP at Factor Cost |
| Decade | | | | |
| 1951-60 | 55.96 | 16.12 | 28.29 | 100.00 |
| 1961-70 | 47.56 | 21.18 | 31.45 | 100.00 |
| 1971-80 | 42.59 | 22.83 | 34.47 | 100.00 |
| 1981-90 | 36.06 | 25.13 | 38.80 | 100.00 |
| 1991-00 | 28.71 | 27.14 | 44.15 | 100.00 |

Sources: Computed from EPW Research Foundation (2002), *National Accounts Statistics*, Mumbai

Table-2

| Table 2A: Decadal Growth Rates of Services Sub-Sectors in India - 1951 to 2000 (Per cent per annum) | | | | | | |
|--|---------|-------------|-------------------|------|---------------------|----------|
| Sub-Sector: | Trade + | Transport + | Business Services | PAD | Personal Services + | Services |
| Decade | | | | | | |
| 1951-60 | 4.98 | 5.58 | 3.01 | 5.03 | 2.82 | 4.10 |
| 1961-70 | 4.36 | 5.37 | 3.06 | 7.37 | 3.90 | 4.49 |
| 1971-80 | 4.81 | 6.20 | 4.35 | 4.81 | 2.75 | 4.55 |
| 1981-90 | 5.71 | 5.63 | 9.53 | 7.11 | 5.40 | 6.63 |
| 1991-00 | 8.08 | 7.82 | 8.43 | 6.02 | 6.80 | 7.66 |

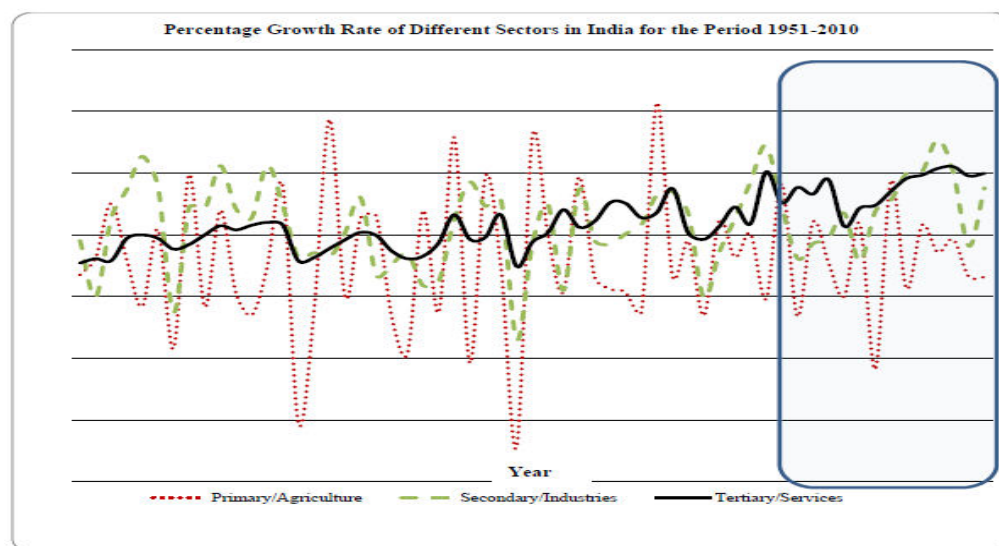
| Table 2B: Decadal Sectoral Composition of Services Output in India - 1951 to 2000 (Per cent of Services GDP) | | | | | | |
|---|---------|-------------|-------------------|-------|---------------------|----------|
| Sub-Sector: | Trade + | Transport + | Business Services | PAD | Personal Services + | Services |
| Decade | | | | | | |
| 1951-60 | 31.96 | 12.43 | 22.96 | 9.26 | 23.38 | 100.00 |
| 1961-70 | 34.06 | 14.14 | 19.42 | 11.56 | 20.81 | 100.00 |
| 1971-80 | 33.51 | 15.71 | 18.41 | 13.68 | 18.69 | 100.00 |
| 1981-90 | 32.25 | 16.17 | 20.76 | 14.54 | 16.28 | 100.00 |
| 1991-00 | 30.84 | 15.53 | 26.09 | 12.65 | 14.89 | 100.00 |

Source for Tables 1A, 1B, 2A and 2B: Computed from the EPW Research Foundation (2002), *National Accounts Statistics*, Mumbai.

Sources: Computed from the EPW Research Foundation (2002), *National Accounts Statistics*, Mumbai

From the above tabular data represents from the year of 1951-2000, and 2001-2010, the service sector and its growth rate explains how service sector has been growing in Trade and Transport Business Services and Personal Services and other areas of development in the country.

Graph-2

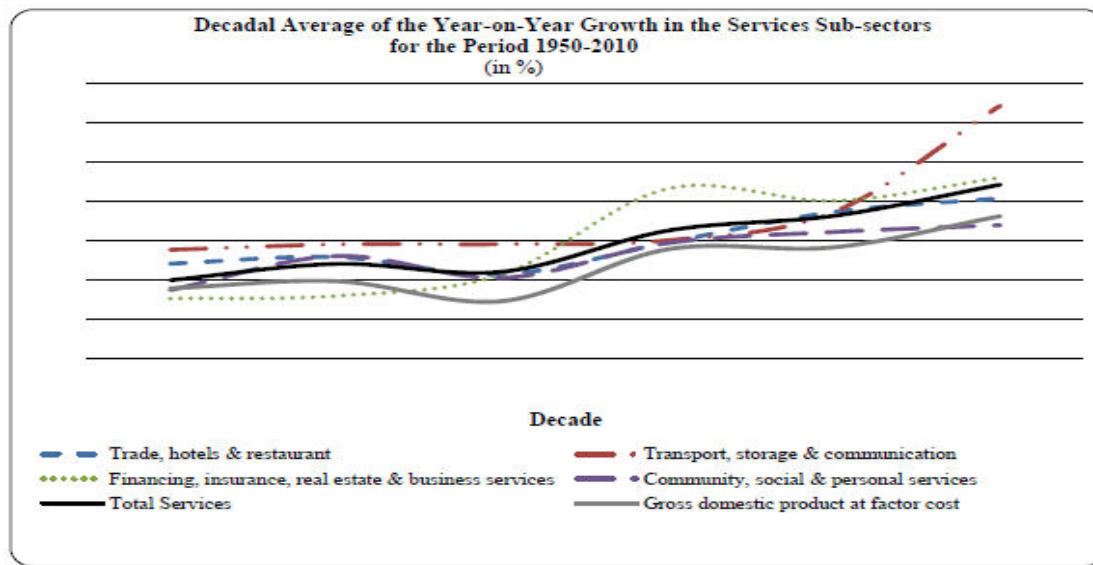


Sources: Compiled by authors from National Income Accounts, Central Statistical Organization, Ministry of Statistics and Programme Implementation.

Note: The calculations are made on GDP at constant prices, constant as 1999-00 and 2004-05.

From the above graph it is clearly depicts that from 1951-2010, the growth rate of service sector is gradually increased. The service sector which includes in India like Information technology, Hospitality, Banking, Education, Financial services, Media and Entertainment, BPO (Business Process Out sourcing), Ware housing, Transport, storage these all are the different areas where service sector is playing a prominent role in India economy. This service sector has been providing employment opportunities to many peoples, which helps to avoid un-employment problems, which strengthen the economy by means of providing the employment opportunities and by means of avoiding balance of payment problems, by exporting services to other countries. In the era of 2000 to 2010 and 2011 to 2013, the service sector plays prominent role to develop economy. Even in well developed economies like US and UK and JAPAN and countries GDP and PERCAPITA income mainly depends up on service sector. Specifically in India from 1951-2013, the service sector performance is high.

Graph-3

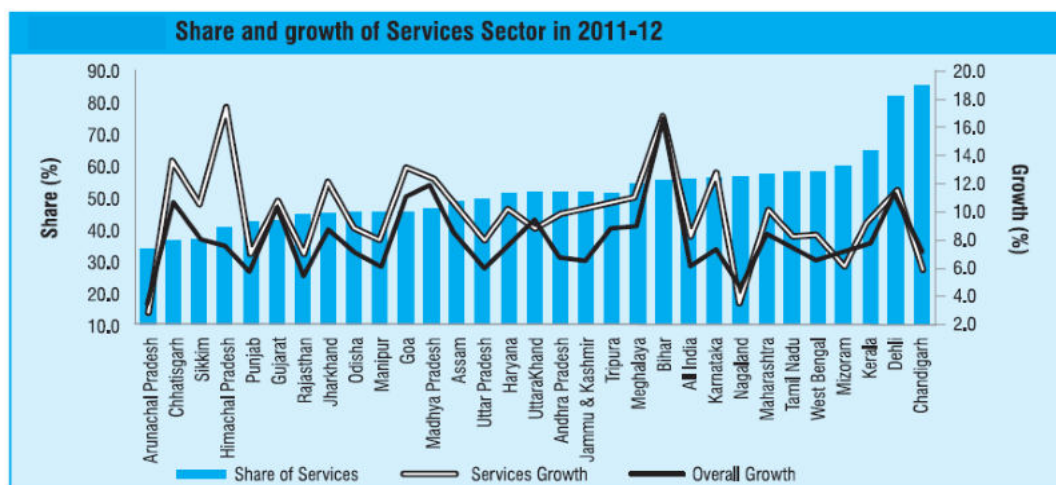


Sources: Author's own calculation from National Income Accounts, CSO, MOSPI

Note: The calculations are made on GDP at constant prices, constant as 1999-00 and 2004-05

From the above graph it is depicts that the service sector is depends on Trade, hotels and restaurants and Transport ,storage, and communication , financial services, Insurance, Real estate, business services, Community, social and personal services, from the above all Transports , Storage and Communication services have been contributing more to service GDP among all Other service providers. From the year 1950-2010, the GDP of the economy, specifically in service sector increasing in the areas of transports, Storage and Communication. From these areas, even employment opportunities also increased. In India, dependents in Agricultural sector are high, whereas dependents in service and industrial sectors are less. That is reason why though there is a huge GDP from service sector the dependents in service sector is less. That is reason why the percapita income of the people is less. This is the reference, which has been taken from authors own calculation in the reference article.

Graph-4

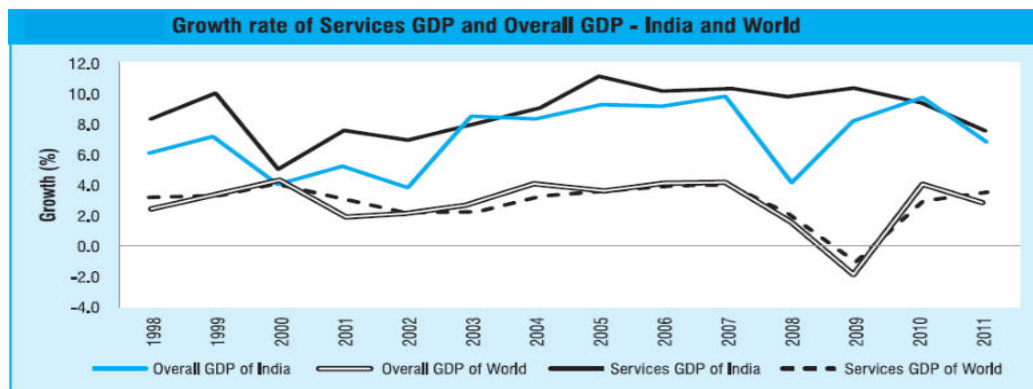


Sources: Computed from CSO Data

Notes: Data in the case of Gujarat and Mizoram are from 2010-11. Shares at current prices, growth rate at constant (2004-5) prices.

In India, the service sector and its growth rate is high in Delhi and Chandigarh whereas Arunachal Pradesh is list in the development of service sector. Even in all states, the growth rate of service sector is high. Especially in the cosmopolitan city, like in Delhi and Chandigarh the development of service sector is 20.0%, which is high as per computed from CSO data. This is the service sector performance record from 2011-2012. Whereas Arunachal Pradesh it is 30.0% and in Chhattisgarh it is around 40%. From the above graph it is depicts that the growth rate of service sector is gradually increasing.

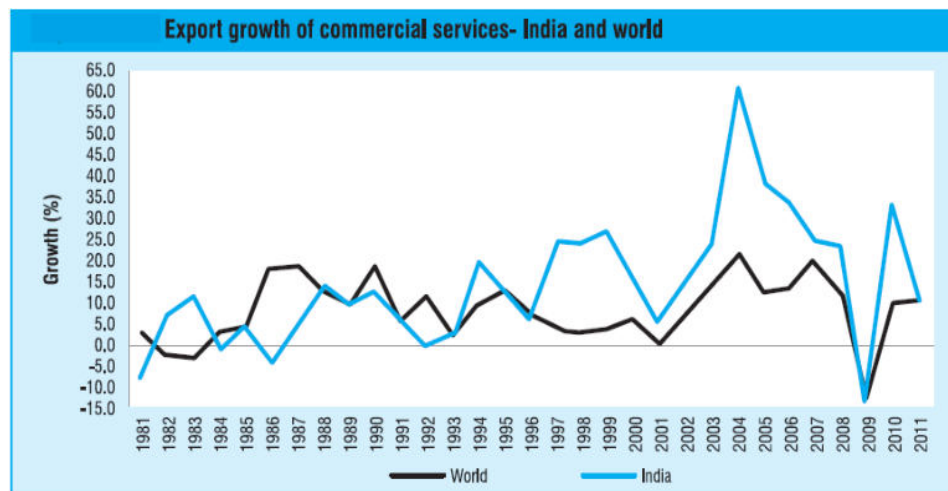
Graph-5



Sources: Based on UN National Accounts Statistics accessed on 2nd February 2013

From the above graph it depicts that service GDP of the India is high as compared with service GDP of the world. The service GDP of the India is around and above 10%, in the world service GDP, service GDP of the India is in considerable manner. The overall GDP of the country is around 8.0% in the year of 2011. In the overall GDP of the country, the service GDP is in considerable status. From the above graph it depicts that even in the world economy. The service GDP of India is in acceptable position; but, the case is the population in India is around 123 Crores. Most of the people in India is depending up on Agricultural sector as very few is depending up on service sector. That is reason why the percapita income of the people would gradually decrease.

Graph-6



Sources: Computed from WTO data

From the above graph it is depicts that the service sector performance is high especially in the case of export growth of commercial services. The export growth of commercial services is increased as compared with world service sector. The exports from India are gradually increasing in the years 2002-2008, the trend in service sector. Between 2002-2008, the growth rate in commercial service exports is nearly, 60%. This explains that the trend in service growth rate is increasing in India. In the world service exports, India is in considerable status. When an export of the country is gradually increased, the balance of payments problem can be avoided. In India, the service sector plays prominent role to increase the GDP. Whenever the GDP is increase, the PERCAPITA income of the people is also gradually increased. Most of the well-developed economies like US and UK and JAPAN and other countries GDP is mainly depends up on service sector.

FINDINGS

- Most of the economies are depending up on the service sector, which includes developing economies and developed economies.
- In India most of the economy from past decades it is depending on service sector.
- In India, Information Technology (IT) also plays prominent role to improve the economy.
- In India, specifically service sector is very strong in certain areas.

RECOMMENDATIONS

- The dependents in Service sector is less, whereas dependents in Agricultural sector and industrial sector is high that's reason why there should be human resource transformation from agricultural sector to service sector or Industrial sector.
- Economy should be strengthening in all areas, not only in service sector but also Agricultural and industrial sector.
- Even in service sector certain areas should be strengthen more, which facilitates to develop our economy.

SCOPE FOR FUTURE RESEARCH

The scope for future research is good it can be continued on agricultural sector and industrial sector. What government can do to develop agricultural sector and industrial sector? The growth of the economy should be there in all areas, like industrial sector and agricultural sector and service sector. India is Agricultural dependent country the dependents should be there in agricultural sector.

CONCLUSIONS

Therefore, it can be conclude that most of the economies are depending on service sector, which enhances the economies of the country. The growth rate of the economy not only limited to service sector it should develop in Agricultural sector and Industrial sector. India is Agricultural based country most of the people in the economy are depending on agricultural sector. However, the situation is different huge amount of the GDP is generating from service sector. Therefore, the dependents in Agricultural sector should transfer from agricultural sector to service sector and Industrial service to increase percapita income of the people.

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CUSTOMER SATISFACTION OF BANKS: WITH SPECIAL REFERENCE TO ICICI BANK, HYDERABAD REGION

V. Ramesh Babu²⁷ R. Neelima²⁸ Dr. N. V. Rathnam²⁹

ABSTRACT

Due to the globalization era, the trend in banking was drastically changed. Customer are treated as moving gods by the bank service providers, which make them to made a red carpet welcome for them in terms of offers and services. In this customer attraction war, most of the multinational banks too far compare with public sector banks. The trend in banking has evolved from cash economy and transformed to cheque economy, which has further been converted to plastic card economy. Fierce competition from inter and intra bank group along with the global forces have compelled the banks to adopt the technological changes to face the electronic age. The influence of technology over product innovations in banks is enormous. The various dimensions and aspects are considered to satisfy the customer with at most the service providers will take care. Banking has undergone significant changes over the last few decades. Until recently, customers had a strong emotional connect with their banks that lasted for years. They visited their branch regularly and, in many cases, the relationship between the banker and customer went way beyond a formal banker-client relationship. With the introduction of technology, banks have migrated their customers to alternative banking channels such as internet, mobile, telephone and ATM. Consequently, banks have become 'faceless' entities sans an emotional connect. In this tough competition, how ICICI offering services to his customers and what is those services impact on customer satisfaction and various things discussed in this paper.

KEYWORDS

Customer Satisfaction, ICICI Bank, Banking, Technology etc.

INTRODUCTION

In the organized segment of Indian Economy, the banking sector occupies an important place in Nation's Economy. It plays a pivotal role in the economic development of a country and forms the core of the money market in developed country. Banks have to deal with many customers every day and render various types of services to its customer. It is a well-known fact that no business can exist without customers. Not so long ago, accessing our own money was about setting aside a couple of hours, getting to the bank before closing time, standing in a queue to get a token and then in another to collect the cash.

The banking industry like many other financial service industries is facing a rapidly changing market, new technologies, economic uncertainties, fierce competition and more demanding customers and the changing climate has presented an unprecedented set of challenges. Banking is a customer oriented service industry, therefore, the customer is the focus and customer service is the differentiating factor. The banking industry in India has undergone sea changes since post independence. The business depends upon client services and the satisfaction of the customer and this is compelling them to improve customer services and build up relationship with customers.

REVIEW OF LITERATURE

Indian banking system has undergone a drastic change after the independence of the country. There has been a significant change in the structure, composition, management objectives and the mode of working of the banking institutions over the last three decades. The present day and the nature of banking have changed beyond recognition. With ATM cards, simple banking transactions like withdrawing and depositing money are easier than ever before. For the tech-savvy, there is the option of banking online. The next medium may just be your mobile. Even when it comes to products, the changes have been many. Graduating from simple saving accounts, fixed and recurring deposits, banks now offer a host of products like special saving accounts and sweep-in-account, no frills accounts and easy receive accounts.

Satisfaction is a psychological state; care should be taken in the effort of quantitative measurement, although a large quantity of research in this area has been developed recently. Work done by Berry (Bart Allen) and Brodeur between 1990 and 1998 defined ten 'Quality Values' which influence satisfaction behavior, further expanded by Berry in 2002 and known as the ten domains of satisfaction. These ten domains of satisfaction include Quality, Value, Timeliness, Efficiency, Ease of Access, Environment, Inter-departmental Teamwork, Front line Service Behaviors, Commitment to Customer and Innovation. These factors are emphasized for continuous improvement and organizational change measurement and are most often utilized to develop the architecture for satisfaction measurement as an integrated model. Work done by Parasuraman, Zeithaml and Berry (Leonard L) between 1985 and 1988 provides the basis for the measurement of customer satisfaction with a service by using the gap between the customer's expectation of performance and their perceived experience of performance. This provides the measurers with a

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satisfaction "gap" which is objective and quantitative in nature. Work done by Cronin and Taylor propose the "confirmation / disconfirmation" theory of combining the "gap" described by Parasuraman, Zeithaml and Berry as two different measures (perception and expectation of performance) into a single measurement of performance according to expectation. According to Garbrand, customer satisfaction equals perception of performance divided by expectation of performance. The usual measures of customer satisfaction involve a survey with a set of statements using a Likert Technique or scale. The customer is asked to evaluate each statement and in terms of their perception and expectation of performance of the organization being measured.

OBJECTIVES OF STUDY

Precisely, the objectives of the study are:

- To find out the company specified satisfaction measures.
- To analyze ICICI bank measures for satisfaction level of customer.
- To know the customer satisfaction measures.

Hypotheses

In the light of the objectives of the study, the following hypotheses are formulated.

H₀₁: There is no significant association between occupation and their opinions on over all service quality of ICICI Bank.

H₀₂: There is no significant association between occupation and their satisfaction levels on customer relationship management.

H₀₃: There is no significant association between occupation and their satisfaction levels on e-banking.

RESEARCH METHODOLOGY

Sample

Customers of ICICI who are using their bank account from last 3 years in Hyderabad and Secunderabad region.

Sample Size

Against this backdrop, the authors have made a conceivable effort to analyses the customers' satisfaction about ICICI bank and its utility. In this connection, the authors have conducted an empirical study by choosing 80 customers from ICICI bank functioning in Hyderabad and Secunderabad region. Simple random sampling has been adopted for the study. The sample field study was undertaken to elicit the opinions expressed by the sample customers.

Data Collection

A structured questionnaire was designed on the respondents to elicit their opinions of ICICI bank services and keeping in mind the objectives of the study for collecting primary data. The questionnaire was pre-tested before final use.

The Present Paper

The present paper seeks to examine the frequency table of respondents; standardized canonical discriminant function co-efficient; structures values of discriminate analysis; test results in terms of overall service quality; customer relation management; e-banking and customer satisfaction.

Tools of Analysis

The statistical tools like co-efficient, weighted average, canonical distrainment function, walk's lamda, chi-square test for data and others are employed at appropriate contexts in the study to analyses the collected data and disclose the results.

DATA ANALYSIS AND INTERPRETATION

The collected data was edited, coded, tabulated, grouped and organized according to the requirement of the study into space for analysis. The frequency table of respondents is depicted in Table–1.

Table-1: Frequency Table of Respondents

| Factor | Category | Frequency | Percentage |
|---------------|----------|-----------|------------|
| Age | <=25 | 8 | 10.0 |
| | 26-35 | 35 | 43.8 |
| | Above 35 | 37 | 46.3 |
| Qualification | PG | 40 | 50 |
| | UG | 40 | 50.0 |
| Occupation | Business | 28 | 28.0 |
| | Employee | 52 | 52.0 |

Sources: Primary data

The table shows that mean, std. deviation along unweight and weighted group statistics.

Summary of Canonical Discriminant Functions

To test the customer satisfaction of banks a study with reference to ICICI bank, Hyderabad and Secunderabad region of the study. The study is considered Eigen values of discriminates analysis and walk's low bad values of decimate analysis is presented in Table-2.

Table-2: Eigenvalues of Discriminate Analysis

| Function | Eigenvalue | % of Variance | Cumulative % | Canonical Correlation |
|----------|-------------------|---------------|--------------|-----------------------|
| 1 | .307 ^a | 100.0 | 100.0 | .485 |

Sources: Authors Compilation

From the above table shows that Eigen values for the analysis. First 1 canonical discriminant functions were used in the analysis. Wilks' lambda values of discriminate analysis are shown in Table-3.

Table-3: Wilks' Lambda values of Discriminate Analysis

| Test of Function (s) | Wilks' Lambda | Chi-square | df | Sig. |
|----------------------|---------------|------------|----|------|
| 1 | .765 | 20.486 | 3 | .000 |

Sources: Authors Compilation

From the table shows that the high value of the Will's Lamda shows low significance, that is, less discriminating power of model. Thus, 0.765 is an indicator of the model being poor and the value is significant (sig. value is less than 0.05) at 3 degrees of freedom. The chi square value of 20.486 (df=3, N=30), $p < 0.05$ is significant at 3 degrees of freedom, showing that there is significant difference in expected and observed frequencies. Standardize canonical table of discriminate values of customer relation is presented in Table – 4.

Table-4: Standardized Canonical Discriminant Function Coefficients

| Functions | Function |
|------------------------------|----------|
| | 1 |
| Customer relation management | .534 |
| Overall service quality | .795 |
| E-banking | -.161 |

Sources: Authors Compilation

The Analysis of above table shows that, customer relationship management has most explanatory power with coefficient of 0.534 overall service quality has recorded with coefficient of 0.795 and e-banking has least explanatory power with coefficient of -0.161 for the open an account in ICICI suggested to others and not suggested to others results. Structures values of discriminate analysis are presented in Table-5.

Table-5: Structures Values of Discriminate Analysis

| Structure Matrix | |
|------------------------------|----------|
| | Function |
| | 1 |
| Customer relation management | .877 |
| Overall service quality | .772 |
| E-banking | .679 |

Sources: Authors Compilation

Pooled within-groups correlations between discriminating variables and standardized canonical discriminant functions variables ordered by absolute size of correlation within function.

Pooled within-groups correlation between discriminating variables and standardized canonical discriminant functions. Standardized Canonical table of discriminate values on customer relation is explained in Table – 6.

Table-6: Canonical Discriminant Function Coefficients

| Functions | Function |
|------------------------------|----------|
| | 1 |
| Overall Service Quality | .837 |
| Customer Relation Management | 1.127 |
| E-Banking | -.208 |
| (Constant) | -5.614 |
| Unstandardized coefficients | |

Sources: Authors Compilation

The above table shows that overall service quality customer relation management and e- banking analysis by using structure minx and canonical discriminate function coefficients. It is clear that $Y = -5.614 + 0.837(\text{overall service quality}) + 1.127 (\text{customer relationship management}) - 0.208 (\text{e-banking})$ where Y provides us the discriminant score of any customer, whose overall service quality, customer relation management and e-banking scores are known.

RESULTS

The results of the study indicates that overall service quality, customer relation management and e-banking in ICICI Bank. The following tables those results of hypothesis.

Overall Service Quality

H₀₁: There is no significant association between occupation and their opinions on over all service quality of ICICI Bank

Table-7: Customer Values on Overall Service Quality

| Crosstab | | | | | | | |
|------------|----------|---------------------|-------------------------|----------------------|-----------|------------------|--------|
| | | | Overall Service Quality | | | | Total |
| | | | Dissatisfied | Moderately Satisfied | Satisfied | Highly Satisfied | |
| Occupation | Business | Count | 0 | 5 | 13 | 10 | 28 |
| | | % within occupation | 0.0% | 17.9% | 46.4% | 35.7% | 100.0% |
| | Employee | Count | 1 | 5 | 30 | 16 | 52 |
| | | % within occupation | 1.9% | 9.6% | 57.7% | 30.8% | 100.0% |
| Total | | Count | 1 | 10 | 43 | 26 | 80 |
| | | % within occupation | 1.2% | 12.5% | 53.8% | 32.5% | 100.0% |

Sources: Binary Data**Table-8: Chi-Square Tests**

| | Value | df | Asymp Sig. (2-sided) |
|--------------------|--------------------|----|----------------------|
| Pearson Chi-Square | 2.094 ^a | 3 | .553 |
| Likelihood Ratio | 2.379 | 3 | .497 |
| N of Valid Cases | 80 | | |

Sources: Authors Compilation

From the results that 3 cells (37.5%) have expected count less than 5. The minimum expected count is .35.

From the above table chi square is not significant (sig. value is greater than 0.05), no evidence to reject null hypothesis. It means that there is no significant association between occupation and their opinions on over all service quality of ICICI Bank.

Customer Relation Management

H₀₂: There is no significant association between occupation and their satisfaction levels on customer relationship management.

Table-9: Customer Values on CRM

| Crosstab | | | | | | | |
|------------|----------|---------------------|------------------------------|----------------------|-----------|------------------|--------|
| | | | Customer Relation Management | | | | Total |
| | | | Dissatisfied | Moderately Satisfied | Satisfied | Highly Satisfied | |
| Occupation | Business | Count | 1 | 5 | 11 | 11 | 28 |
| | | % within occupation | 3.6% | 17.9% | 39.3% | 39.3% | 100.0% |
| | Employee | Count | 1 | 6 | 23 | 22 | 52 |
| | | % within occupation | 1.9% | 11.5% | 44.2% | 42.3% | 100.0% |
| Total | | Count | 2 | 11 | 34 | 33 | 80 |
| | | % within occupation | 2.5% | 13.8% | 42.5% | 41.2% | 100.0% |

Sources: Primary Data

Table-10: Chi-Square Tests

| | Value | df | Asymp. Sig. (2-sided) |
|--------------------|-------------------|----|-----------------------|
| Pearson Chi-Square | .871 ^a | 3 | .832 |
| Likelihood Ratio | .845 | 3 | .839 |
| N of Valid Cases | 80 | | |

Sources: Authors Compilation

Note: a. 3 cells (37.5%) have expected count less than 5. The minimum expected count is .70.

It is observed from the above table that chi square is not significant (sig. value is greater than 0.05), no evidence to reject null hypothesis. Hence, there is no significant association between occupation and their satisfaction levels on customer relationship management.

E-Banking

H₀₃: There is no significant association between occupation and their satisfaction levels on e-banking.

Table-11: Chi Square Values on E-Banking

| Crosstab | | | | | | | |
|------------|----------|---------------------|--------------|----------------------|-----------|------------------|--------|
| | | | e-banking | | | | Total |
| | | | Dissatisfied | Moderately satisfied | Satisfied | Highly satisfied | |
| Occupation | Business | Count | 1 | 4 | 10 | 13 | 28 |
| | | % within occupation | 3.6% | 14.3% | 35.7% | 46.4% | 100.0% |
| | Employee | Count | 1 | 9 | 18 | 24 | 52 |
| | | % within occupation | 1.9% | 17.3% | 34.6% | 46.2% | 100.0% |
| Total | | Count | 2 | 13 | 28 | 37 | 80 |
| | | % within occupation | 2.5% | 16.2% | 35.0% | 46.2% | 100.0% |

Sources: Primary Data

Table-12: Chi-Square Tests

| | Value | df | Asymp. Sig. (2-sided) |
|--------------------|-------------------|----|-----------------------|
| Pearson Chi-square | .307 ^a | 3 | .959 |
| Likelihood ratio | .300 | 3 | .960 |
| N of valid cases | 80 | | |

Sources: Authors Compilation

Note: a. 3 cells (37.5%) have expected count less than 5. The minimum expected count is .70.

From the above table chi square is not significant (sig. value is greater than 0.05), no evidence to reject null hypothesis. It means that there is no significant association between occupation and their satisfaction levels on e-banking. It is given to understand from Table -13 that consolidated results of hypotheses.

Table-13: Consolidated hypotheses Tested

| Null Hypotheses | Sig. Value | Result |
|--|------------|----------|
| H ₀₁ : There is no significant association between occupation and their opinions on over all service quality of ICICI Bank | 0.553 | Accepted |
| H ₀₂ : There is no significant association between occupation and their satisfaction levels on customer relationship management | 0.832 | Accepted |
| H ₀₃ : There is no significant association between occupation and their satisfaction levels on e-banking | 0.959 | Accepted |

Sources: Authors Compilation

CUSTOMER SATISFACTION

Customers have started perceiving the services of bank through internet as a prime attractive feature than any other prime product features of the bank. Customers have started evaluating the banks based on the convenience and comforts it provides to them. Bankers have started developing various product features and services using internet applications.

Customer Requirements

The successful online banking environment makes no demands at all on customer, other than requiring the ability to access the online sales facility and the intention to buy something offered. However, the environment should permit the customer to use whatever payment method is desired, consistent with good business practice. In practice, this means major credit cards as well as an appropriate selection of electronic payment methods. Ideally, online consumers should not have to make any choices or any special arrangements to order products electronically. Merchants have greater responsibility to implement a specific product or set of products, ranging from the use to secure web servers for different purposes. To provide seamless payment systems and other innovative services to consumer banks are working with companies like cybercash, first virtual, netscape, Microsoft and others.

Impact of Online Banking

It has been observed that customers who adopt on-line banking are typically more profitable to the bank, stay with the bank longer and use more products strengthening the bank customer relationship. Information Technology and Internet banking has bridged the information gap, which was interestingly because of human involvement. Banks can make the information of products and services available on their site, which is an advantageous proposition. Prospective customer can gather all the information from the website and thus if he comes to the branch with queries it will be very specific and will take less time of employee. Customer can visit these websites and can compare the services offered by a bank with that of another. Customer can get all the information by saving money and time. The trend thus emerging out is that of virtual corporate system where the human role is minimized to maximum effect. The overall banking size and structure has increased considerably. It can also be accredited to the current market characteristics. More private players and multinational banks are establishing their base in India. Earlier nationalized bank dominated the scenario. Now after deregulation, private banks have emerged as a powerful force. As a result, there is a fierce competition among these players for capturing the savings of individuals and current accounts of organizations. This has been spearheaded by the liberalization in the insurance industry. Insurance industry is giving fierce competition through their offerings on various policies. This sudden surge has necessitated the use of technology in offering better services competitively and consequently, most of the banks have coupled IT with their offerings to add value. Several banks have been positioning themselves as a one stop shop financial service provider with a fairly exhaustive range of products, including deposit products, loans, credit cards, debit cards, depository (custody services), investment advice, bill payments and various transactional services. Besides, third – party products such as mutual funds and insurance to the retail customers. To provide their customers greater flexibility and convenience as well as to reduce servicing costs, banks have been investing to computerize their branches and in new delivery channels such as ATMs, phone banking, internet banking and mobile banking.

Table-14: Weighted Average Table of Customer Satisfaction Values

| S. No. | Customer Preference | Ranking | | | | | Weighted Scores | Rank |
|--------|---------------------|---------|----|----|----|----|-----------------|------|
| | | 1 | 2 | 3 | 4 | 5 | | |
| 1 | Cheque book | 5 | 8 | 38 | 17 | 12 | 217 | 4 |
| 2 | Internet banking | 23 | 30 | 15 | 11 | 01 | 303 | 2 |
| 3 | Value added service | 46 | 21 | 08 | 05 | 00 | 348 | 1 |
| 4 | ATM cum debit card | 04 | 21 | 14 | 39 | 02 | 226 | 3 |
| 5 | Others | 02 | 00 | 05 | 08 | 65 | 106 | 5 |

Sources: Authors Compilation

It is to observed from the table that weighted average of Value added services are the leading factor for customer satisfaction, followed by internet banking. Next most of the customer preferring ATM cum debit card services is more preferable services.

EPILOGUE

A major contribution of this study is the provision of an approach for managers to identify the factors of customer satisfaction in retail banking sector in India. Although the satisfaction levels are on the higher side, there remains a lot to be done by the management of the retail banks in order to maximize their customers' satisfaction and improve the overall retention rates. Today, in India, almost every private as well as nationalized bank is providing IT based products and services to their customers and co-operative banks have recently entered the scene, the financial reforms, globalization and liberalization measures brought in a completely new operating environment to the Banks. Services and Products like "Anywhere Banking", "Tele-banking", "Internet banking", "Web banking", "e-banking", "e-commerce" and "e-business" etc., have become the buzzwords of the day and the Banks are trying to cope with the competition by offering innovative and attractive packaged technology-based services to their customers. There is an urgent need of spreading the awareness among the common people. The small executives, farmers, housewives, persons working in unorganized sectors, are convinced to use banking and E- banking services. They should feel that their money is more safe and secure with the banks. It is evitable on the part of all the banks to protect customers from the cyber frauds by strictly adhering to the regulatory measures, which are in force.

To sum up, the main contribution of this study is the provision of an approach for the management of the banks to identify the factors of customer satisfaction and future intentions towards them. The approach has integrated constructs or items beyond the service quality to capture the sphere of influence of major factors that drive customer satisfaction. Also, the study has endowed insights and implications for bank management, thus enabling them to develop strategies to improve customer satisfaction and consequently, retention rates.

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ROLE OF EDUCATION IN BRINGING SOCIAL CHANGE

Arjumand Bano³⁰

ABSTRACT

Education affects social change as it widens the horizons of people especially positive social change. Social change could be in both the directions forward and backward as reliving dowry system or abortion of girl child in the womb is negative change whereas leaving prejudices and ill practices are positive change. Adaptability of positive things in the society increases with education and it promotes social change on the whole. The relationship between educational system and society is mutual; sometimes the society influences changes in educational system and at other times the educational system influences changes in the society.

The social change may be in social goals, objectives and values. The changes may be in social values that directly affect the content of social roles and social interaction. Education plays a very important role in molding the character of an individual. It is one of the concrete sources from which one get information and knowledge and it affects the individual and brings positive change in the society on the whole.

KEYWORDS

Education, Social Change, Values, Society etc.

INTRODUCTION

Social change is a process in which education plays a vital role especially in bringing positive change in the society. Education is not the consequence of needs of an individual but it is the response of entire society. In a static society, educational system transmits the cultural heritage to the new generations while in a changing society which keeps on changing from generation to generation, educational system not only transmits the cultural heritage, but also aid in preparing the young for adjustment which are likely to occur in future.

In today's world, the change in the society is much higher than in former times. Consequently, in such modern complex societies, education is called upon to perform an additional function of becoming an agent of social change. Thus, the relationship between educational system and society is mutual; sometimes the society influences changes in educational system and at other times the educational system influences changes in the society.

Social change is a Universal phenomenon but spreading of social change is not uniform as there are variations in the speed of social change. Social change does not take place with uniform speed it varies with time, place and environment. Social Change is very unpredictable in nature as to ascertain social change with the presence of certain factor is not possible but education motivates social change, it works like a catalyst in bringing change in the society. It is the result of interaction of number of factors and it is difficult to ascertain the effect of single factor on social change.

The social change may be in social goals, objectives and values. The changes may be in social values that directly affect the content of social roles and social interaction. For example, the adoption of equality as a value may ultimately lead to compulsory and free primary education, to expansion of primary educational facilities to all children up to the age of fourteen and to providing financial and other aid to backward classes for enabling them to avail of the expanded educational facilities.

Education is very important and plays a vital role in the development of any society. Social Change could be positive or negative but when we talk about education, we mean positive changes in the society. Education plays a very important role in molding the character of an individual. It is one of the concrete sources from which one get information and knowledge and certainly, it affects the society.

OBJECTIVES OF STUDY

- To find out relation between social change and education,
- To find out impact of education on adoptability of social changes,
- To find out impact of education on perception about women freedom,
- To find out impact of education towards thinking about gender equality,
- To find out changes in perception about inter caste and inter religion marriages due to education,
- To describe the role of education in bringing positive change in the society.

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RESEARCH METHODOLOGY

For the research paper, primary and secondary data both are collected. The primary data source were magazines, newspapers and different websites while on other hand the secondary data were collected through exhaustive questionnaires, personal interviews and schedules.

For the purpose of secondary data 50 educated families (members of family are graduate or above) and 50 less educated families (members of family are educated below high school).

Selection of Sample: Random Selection

Sample Size: 100 families (50 families are educated and 50 families are less educated)

To analyze the data various statistical tools and techniques were used.

Education Perpetuates Eternal Values and from the Ancient Times

It is a prominent cultural institution, which used to perpetuate the prevailing values of a society. Our modern education system has a sordid past largely rooted in industrialism. Its aim is to produce economically viable products--employable citizens. Nearly all our tweaks to the system in the last 100+ years are simply attempts to ensure that the products (graduates) are prepared for the work force.

I believe that education should be an empowering process that allows and guides children to develop their passions, critical thinking, compassion, and orientation towards wisdom for timely action. In other words, self-cultivation is the purpose of education. Understanding self-cultivation in terms of being a part of a unified field of relationships is the key to the growth of a mature culture of peace. When the natural web of our relationships is used to strengthen our depth of knowledge, the feedback from the environment supports timely adjustments and refinements in our emotional and technical developments.

Education makes a sacred triangle with man and values where education is important medium to imbibe foster and perpetuate values in human. Teaching science and industrial subject could make a man ready for work but teaching of values make a person true human.

Education is capable of developing strong and abiding values. Everywhere and in all times education has built a value system, conducive to the development of physical, intellectual, moral and spiritual life. It activates the latent capacities of the individual enabling him to recognize truth, duty and goodness. It transforms man from animal man to authentic and autonomous human being, conscious of his role-play. It seeks to secure for him the things and activities, which are good instead of bad, right instead of wrong and satisfying instead of annoying. The hallmarks of his personality are self-determination, self-realization, self-integration, social adjustment, economic self-reliance and moral and spiritual attitude towards others. Education by the training of mind and soul gives the young intellectual wisdom and practical power, develops fearlessness of mind, strength of conscience and integrity of purpose.

Promotes Capacity to Welcome Social Change

Education imbibes the capacity to accept social change and also to welcome change in the society. When a child steps in the school his / her horizons are widen and with the interaction of people from different religion and communities he/she learns to start accepting different things and there the process of social change initiates. Later in his / her life he / she learns through education that many things that he / she has learnt in the past from family and peer group is not correct and the process of understanding the difference between pros and cons of things learnt begins thus the primary requirement of social change which is acceptance of change starts with the presence of education.

Evaluation of Social Change

A social change could be either positive or negative but taking the society in the direction of positive change is only possible with the right education as it builds the capacity in human beings. Negative social change is very dangerous for society as it suppresses the victim and pushes the society backwardly. The backward motion is never in the favor of development and major objective of the society is progress of the society.

Transmission of Culture

The days are gone when countries like China use to confine themselves behind the walls and crossing the ocean will distort religion as fusion culture is in fashion. When different cultures meet, a new culture take place in the society, which could be said as global culture. For social change, transmission of culture is important and education provides the opportunity to people to come across various cultures.

In Education, through curriculum, students will be acquainted with social, moral and cultural values and teachers make them familiar with values and ideal through different activities, games, story-telling etc. Education makes them familiar with constitution, rules and regulations of citizens and so on. As we find in NPE 1986 major objectives to produce a productive citizen has been fulfilled by education so education preserves our value and it make others to imbibe those values.

Social Feelings in the Society

With education individuals, become aware about the importance of unity, love, fraternity and other values. Education makes all people be awakened of being a part of society and how they can contribute the world as society. People know different values and life skills and thus they develop concern for society including social mindedness, values life skills, learning to be, learning to do, learning to know, learning to live together via different activities story telling dramatization.

Economic Development of Society

Education develops skills in individual and makes him a productive citizen. Through education everyone learns how to earn money and as per their qualification he gets job or labour and on the whole with the help of education more or less everyone get work and earn money so due to increasing literacy per capita income will increase As we find government take help in the form of tax and thus our economy develops. Because of education, people migrate in other country and their earning helps to develop society, country. Thus, education affects the economic development of society.

Social Control

Education makes all aware about customs and duties the same as it makes aware about the rules and regulations as we find the rules in Indian constitution. People know how to preserve their lives via education. They make also familiar with crimes. Thus education provides a guideline and it controls all society.

Social Changes and Reforms

Education makes individuals perfects and aware about the rights. So people can claim against dwelled superstitions, beliefs which are harmful for them. Through education everyone learn grow to live and how to save from difficulty and how to inculcate values and ideals in their lives and ideals in their lives so they can appeal in court having of felling injustice. Education makes all aware about how to live peacefully and how to face difficulties in their lives .They become aware about the proverbs like 'nothing ventured, nothing gained' so they develop their risk taking attitudes via education.

Illiteracy and Social Evil

When a child is born, the family is his/her world but when he/she steps in the outer world he/she meets different types of people and come across different types of thinking. So is facing the challenges of the outer world knowledge is required.

Political and economic growth can only be achieved through a healthy society and a healthy society through education. However, misconceptions, superstitions and myths due to lack of knowledge kills the very notion. Malpractices such as sati, child marriage, and female feticide are still prevalent and hinder the development of society. However, people do not realize or react to their current situations and circumstances and stick to their orthodox views which are no longer valid to the society. Even today, widows are mistreated, women considered less capable, given less opportunity and killed before birth. On one hand, one feels encouraged and enlightened to see high literacy rates in Kerala, on the other hand it is disheartening to see the female feticide rate in Haryana.

Myths and lack of knowledge have always been the tools for rich and powerful to patronize people. Time has changed, but the tool of discrimination does not. Castecism, Religion, Poverty are the other current forms of tools used. Though, illiteracy has been the hurdle to social, political and economic progress it is solely not responsible for it. Had it been such, the crime rate in urban and sub-urban areas would have been zero. This is so, because one's upbringing and sense of ethics also play a crucial role in one's life. However, education gives greater confidence and opens up minds. It provides a better way to look at things.

The constitutional laws and rights need to be enforced and executed. Education is an individual's duty and right. Various government schemes such as "Sarv Shiksha Abhiyaan" and "Mid-day meal Scheme" have been working in this area but their proper implementation is our responsibilities.

Free education should be imparted to all. Schools, colleges should organize trips to villages and rural areas so that the masses get a real and practical sense of the Indian scenario and development. Proper infrastructure and facilities are also crucial for creating an environment effective to learning. Government budget plans should include a high expenditure on Education sector. Teaching profession should be made more valuable, effective and expanded since it is the basis of learning.

SOCIAL CHANGE AND GORAKHPUR

A survey of 100 families was conducted among which 50 families had family members were educated below high school level and in the other 50 families, members were highly educated.

Change in Traditions**Table-1**

| | Celebration of Birthday | Celebration of New Year | Celebration of Valentine's Day | Celebration of Marriage Anniversary | Honeymoon After Marriage | Celebration of Mother's / Father's Day |
|------------------------|-------------------------|-------------------------|--------------------------------|-------------------------------------|--------------------------|--|
| Less Educated Families | 50% | 25% | 2% | 10% | 2% | 0% |
| Educated Families | 95% | 90% | 40% | 85% | 80% | 40% |

Sources: Authors Compilation

Change in Food

In less educated families, 80% families don't eat continental cuisines but in educated families, 75% of the families enjoy continental cuisines.

Table-2

| | Like Continental Cuisine |
|------------------------|--------------------------|
| Less Educated Families | 20% |
| Educated Families | 75% |

Sources: Authors Compilation

Change in Attitude towards Women**Table-3**

| | Freedom of Dress | Freedom of Profession | Freedom of Driving Car | Freedom of Moving Alone | Freedom of Marriage |
|------------------------|------------------|-----------------------|------------------------|-------------------------|---------------------|
| Less Educated Families | 10% | 5% | 2% | 3% | 1% |
| Educated Families | 90% | 80% | 95% | 80% | 70% |

Sources: Authors Compilation

Change in Attitude towards Gender Equality**Table-4**

| | Believe in Gender Equality |
|------------------------|----------------------------|
| Less Educated Families | 1% |
| Educated Families | 60% |

Sources: Authors Compilation

Change in Language**Table-5**

| | Use of English Language with Local Language |
|------------------------|---|
| Less Educated Families | 2% |
| Educated Families | 90% |

Sources: Authors Compilation

Attitude towards Inter-Cast and Inter Religion Marriages**Table-6**

| | Positive Attitude Towards Inter-cast Marriage | Positive Attitude Towards Inter Religion Marriage |
|------------------------|---|---|
| Less Educated Families | 2% | 0% |
| Educated Families | 30% | 15% |

Sources: Authors Compilation

CONCLUSIONS

Education plays a vital role in bringing social change in the society especially positive social change but still many educated families are not very positive on the issues like inter cast marriage and inter-religion marriages. Issues including gender equality and attitude towards women still pose a challenge in front of the society and even educated families do have biases and prejudice towards such issues. Based on survey of 100 families it could be said that education brings positive change in the society and there is a positive relation between social change and education.

SUGGESTIONS

To bring positive change in the society Government should focus on education and should also include a subject on social concerns as a part of the curriculum from the primary classes as positive changes in society brings development and prosperity.

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GLOBALIZATION AND MANAGEMENT EDUCATION IN INDIA: EMERGING CHANGE FORCES

Sk. Shamshad Ahamed³¹ Dr. Suja S. Nair³²

ABSTRACT

The main objective of the present paper is to highlight the impact of globalization on management education in India & to understand the emerging change forces. Owing to the globalization, privatization & liberalization lot of changes are noticed in the functioning of industries. Naturally, industries across the world are required to have the manpower with multi-skills rather than simply knowledge oriented. Western B-Schools are molding their self & making the changes in their curricula as per the demand of industries. Now a day's learning has become more students centric. Branding has made in-roads into management education. Top B-Schools are continuously changing the contents & delivery modes. It is equally imperative to Indian B-Schools to make management education context specific. On this background, it is equally important to address the change forces that have been bearing down on management education in India in recent years.

KEYWORDS

B-Schools, Change Management, Globalization, Management Education etc.

"Good ideas with no ideas on how to implement them are wasted ideas."

Michael Fullan

INTRODUCTION

The Government of India has liberalized the business education in 1990s, which has resulted in a rapid growth of Business Schools offering the programs both at graduate & undergraduate levels. Indian B-Schools are almost a replica of US Business education particularly in the area of pedagogy, curricula, industry interface & academic research models, but it is observed that Indian B-Schools are struggling hard to introduce several adaptations because of differences in the work culture system. That made Indian Business education to face several issues in the area of academics, development of infrastructure & financial support. The Govt. of India had also appointed various committees to take a critical review & the overall growth of Business Education in the country. Owing to the intense competition at the global level lot of changes are taking place in the industries. In turn, there is a need to make the changes in the Business education system all over the world. India is no exception to it; but the pace is very slow. Now time has come to take a detailed review and to investigate the various challenges & issues, which are being faced, by these Business schools for enhancing the quality of management education in the country.

GLOBALIZATION AND ITS MEANING

The term 'globalization' means integration of economies and societies through cross country flows of information, ideas, technologies, goods, services, capital, finance and people. Cross border integration can have several dimensions – cultural, social, political and economic. In fact, some people fear cultural and social integration even more than economic integration.

GLOBALIZATION OF INDIAN INDUSTRY

The evidence of globalization can be seen everywhere: in the home, in the workplace, in the discount stores, in the newspapers and business journals, in the flow of monthly government statistics, and in academic literature.

A short definition of globalization is "the growing liberalization of international trade and investment, and the resulting increase in the integration of national economies.

Globalization can be seen most clearly in the quickening pace and scope of international commerce. Global exports as a share of global domestic product have increased from 14 percent in 1970 to 24 percent today.

The efforts of Indian companies in international markets are still mere drops in the ocean. There has been a change in the mindset of most Indian companies, which are beginning to think about marketing globally. This changed attitude towards trade is making a big difference in the way they do business. It also implies that the age of the Indian multinational has arrived. Nowadays a host of Indian companies is trying to go global and is actually making some headway. However, barely out of the starting gate, almost every Indian company is thinking of globalization, from textiles to pharmaceuticals and from plantations to engineering. For

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instance, in order to survive the post-Uruguay Round global regime of patent protection, Indian pharmaceutical companies are rushing to tie up with major research based foreign companies.

A dramatic restructuring is taking place in the international pharmaceutical industry. International drug majors are responding aggressively to a rapidly changing competitive environment through mutual alliances, mergers and takeovers involving transactions worth billions of dollars. These changes assume special significance for developing countries like India (in which a dominant role is already being played by international drug majors) and countries where governments are dismantling controls and regulations imposed on players in the pharmaceutical sector.

Another area of globalization is foreign investment. With a relaxation in the rules pertaining to foreign investment, many Indian companies are, in fact, setting up manufacturing bases abroad for various products. Some of these bases are even being set up in developed countries. Indian Pharma companies – from Lupin to Ranbaxy – are all setting up operations in developed countries overseas.

LIBERALIZATION – PRIVATIZATION – GLOBALIZATION HERALDS A CHANGE IN INDIA INC

India Inc. has been undergoing a major structural metamorphosis, a process that began in the 1990s. Since the initiation of the various measures of economic liberalization in general, and the opening up of the industrial sector in particular, there has been a radical transformation in the policy environment for Indian industry: from the erstwhile public sector predominant, government controlled licensing and investment scenario to the market friendly, private sector oriented phase.

This new lease of life, given to the Indian industry, has fundamentally altered several decisions of industry captains: either to create critical size, consolidate and gain higher market share through acquisitions or to sell non-core businesses and re-direct the capital core competence rather than spread resources.

All this clearly shows the change in attitude; mindset and culture of India Inc. Domestic companies are remodeling their operations to become niche players. They are becoming more open to new ideas of inducting manufacturing partners or entering into strategic alliances with a view to strengthening their competitiveness. It's no longer taboo to sell one's assets. This has set the ball rolling and is the reason for the take-off in the number and value of deals year after year.

EVOLUTION OF MANAGEMENT EDUCATION

Business education has a long history in India, dating back to the 19th century. Early Business - Schools were focused on the commercial side of business, seeking to fulfill the needs of the then British government.

- India's first B-school i.e. Commercial School of Pacchiappa Charities was set up in 1886 in the southern city of Chennai (Madras).
- In 1903, British government initiated Secondary school level commerce classes at the Presidency College in Calcutta with a focus on Secretarial practice, Business Communication, Short hand, Typing, Correspondence & Accounting.
- The first college level Business School was founded in 1913 in Mumbai i.e. Sydenham College.
- Soon followed by another college in Delhi in 1920 as Commerce College, later on it was renamed as ShriRama College of Commerce.
- The Indian Institute of Social Science founded in the year 1948 as India's first management program with an intention to train manpower to create & spread the knowledge required for managing industrial enterprises in India.
- Catholic community founded Xavier Labour Relations Institute (XLRI) at Jamshedpur in 1949.
- Indian Institute of Social Welfare & Business Management (IISWBM) was set up in 1953 at Calcutta. That was considered as India's first official Management Institute.
- Encouraged by the results, Government of India applied for and obtained grant from the Ford foundation in 1961 to launch two (2) Indian Institutes of Management, one at Calcutta (West Bengal) and other at Ahmedabad (Gujarat). This grant was focused on helping American Business education knowledge & models to other nations and having intensive collaboration with an American B-School for facilitating the transfer of learning.
- The IIM Calcutta established in collaboration with the Sloan School of Management (MIT) for faculty & pedagogy development in the year 1961, with an intention to focus on Quantitative & Operational aspects of management.
- IIM Ahmedabad was founded in 1962, pioneered the case method of teaching in India with an emphasis on Qualitative strategic-integration.
- The mission of IIMs was to professionalize Indian Management education through teaching, research, training, institution building & consulting with the support of expertise developed by the pioneering IIMs.
- Two more IIMs were founded in Bangalore (Karnataka) & other in Lucknow (U.P.) in 1973.
- The Indian Institute of Forest Management was setup in 1982 in Bhopal (M.P.) as a leader in specialized management education for the entire forestry system in India with the help of IIM, Ahmedabad.
- In late 1990's, two more IIMs were setup, one at Kozhikode (Kerala) & the other at Indore (M.P.).

A POWERFUL COMBINATION OF CHANGE FORCES HAS BEEN BEARING DOWN ON MANAGEMENT EDUCATION IN RECENT YEARS

A rapid increase in competition: this competition comes from colleges and universities within and beyond countries and from private providers.

A significant decrease in funding from government sources: in a number of countries, this decrease is associated with two discernible and dramatic shifts in perception: (1) that education is not really a public good but a private benefit, and (2) that it is not really an investment but a cost.

Greater government scrutiny: India, like many other countries, now has a national quality-assurance agency for management education; trend data on performance is now in the public arena; and popular publications produce league tables on the performance of management education institutions.

A growing consumer rights' movement: as fees rise, students are increasingly prepared to complain about the quality of what is delivered and, in some countries, to engage in litigation.

The rapid spread of communications and information technology into every aspect of our lives, including education and training: whereas universities and colleges once held a monopoly on high quality, up-to-date knowledge, this is now available (for a price) on the Internet from all manner of providers. In combination, these change forces have brought many colleges and universities to a watershed. Some argue that if they do not respond appropriately, their very existence, at least in their present form, is threatened.

Yet such a situation is not necessarily a cause for despair—provided those of us in management education get smarter about two things. These are identified in Michael Fullan's quote: "Good ideas with no ideas on how to implement them are wasted ideas."¹ What Fullan is saying is that if we are to successfully tackle the current situation, we have to get smarter at "how" of change (making sure these ideas work in practice).

GLOBALIZATION EDUCATION AND HR DEVELOPMENT

Knowledge is the driving force in the rapidly changing globalized economy and society. Quantity and quality of specialized human resources determine their competence in the global market. Emergence of knowledge as driving factor results in both challenges and opportunities. It is well known that the growth of the global economy has increased opportunities for those countries with good levels of education.

Globalization has a multi-dimensional impact on the system of education. It promotes new tools & techniques in this area like E-learning, Flexible learning, Distance Education Programs and Overseas training. Globalization will mean many different things for education. In the near future, "it will mean a more competitive and deregulated educational system modeled after free market but with more pressure on it to assure that the next generation of workers are prepared for some amorphous 'job market of 21st century'.

Since "Lifelong jobs have been converted in to yearly contracts there is still possibility of even short duration jobs. Our education system should deliver such education and training so that professionals can adjust themselves as per market expectations. It has underlined the need for reforms in the educational system with particular reference to the wider utilization of information technology, giving productivity dimension to education and emphasis on its research and development activities. The benefits of globalization accrue to the countries with highly skilled human capital and it is a curse for the countries without such specialized human capital. Developing and transition countries are further challenged in a highly competitive world economy because their higher education systems are not adequately developed for the creation and use of knowledge. Converting the challenges into opportunities depend on the rapidity at which they adapt to the changing environment. India is also following the global phenomenon. As part of globalization, the economic reform packages were introduced in India in the beginning of 1991. These reform packages imposed a heavy compression on the public budgets on education sector, more specifically so on higher education. This has trickled down to public expenditure on education in general, and higher education in particular.

Indian government and Indian corporate sector has recognized the importance of management education in the changing global scenario. Today under the reforming economic conditions, integration of the Indian economy with world economy presupposes efficiency and competitiveness in the domestic front as well as in the international arena. As the process of globalization is technology-driven, and knowledge-driven, the very success of economic reform policies critically depends upon the competence of human capital.

But, what is observed is the reverse. Even within the education sector, relative priority assigned to management education has been on the decline. They are also responsible for not only providing the specialized human capital in order to corner the gains from globalization, but also for training inside the country, provide policy advice, etc. Globalization is expected to have a positive influence on the volume, quality and spread of knowledge through increased interaction among the various states. Today our educational system is strong enough but Central and state governments should change their roles within the education system, re-

inventing themselves as facilitating and supervisory organizations. Teacher training, infrastructure and syllabuses need to be urgently upgraded. Industry should come forward to share experience with students and to offer more opportunities for live Projects.

The free market philosophy has already entered the educational world in a big way. Commercialization of education is the order of the day. Commercial institutions offering specialized education have come up everywhere. In view of globalization, many corporate universities, both foreign and Indian, are encroaching upon our government institutions. Our Institutes like IIM'S and IIT'S have produced excellent professionals. These institutes impart quality education as per industry expectations and give due importance to Institute Industry Interface. Under the new scenario, Government – Private partnership is becoming important in Management Education. Now India is a transforming country. We are near to achieve status of developed nation.

The demand for higher education has been growing rapidly with comparatively faster growth in enrolment in higher educational institutions than the growth in number of higher educational institutions. The growth rates are doubled among the students enrolled in post-graduate and research, while the number of institutions for post-graduate and research studies has grown at a slower rate in 1990s than in 1980s.

Though the enrolment has been increasing in absolute terms, only 7 per cent of the population in the age group 17 to 24 attended higher educational institutions in India, as against 92 per cent of the eligible age-group population attending higher educational institutions in USA, 52 per cent in UK and 45 per cent in Japan.

Privatization of higher education has emerged in several forms and types in the recent decade in India. One, privatization within government higher education institutions take place in the form of introducing self-financing courses within government institutions; two, converting government - aided private institutions into private self-financing institutions; three, allowing to expand self-financing private institutions with recognition and also without recognition, which may be termed as commercial private Commercial private higher education emerges from market forces and tied to economic and global forces.

They thrive on the principles of commercialism, primarily focus on vocational courses and highly pragmatic. Their commercial thrust is training jobs; indeed, part of the curriculum is industrial training. Not only training for jobs but also place their students in well-paid jobs. This indeed speaks about the strong industry – institution linkages. They are narrowly focused, rather micro-specific in designing their course and training. This narrow focus is their strength as well weakness. It is strength as long as there is demand for such specific nature of the courses and a weakness once such a demand is satiated. Moreover, the built-in set up / infrastructure do not allow them to diversify. They cater to the unmet demands or rather demand- absorbing from the non-university management education sector.

We can divide these institutions in to various types, like of the self-financing engineering colleges and management institutions are affiliated to the conventional universities In which, the course structure, design, curriculum, and the pattern of examination fall within the purview of the national or state pattern. On the other side, several of these self-financing private institutions are also non-affiliating to any universities and cater to the demands of the corporate sector nationally and internationally.

This privatization has its negative impact also. Student is acting as market force. Student is the power while faculty is weak in these private institutions. Indeed, the faculties lack the position, power and autonomy as they traditionally enjoyed at universities. They serve to students and their practical orientations in commercial private institutions. These institutions rely on part-time faculty and may be drawn from full-time faculty at public universities (and hence do not add to further employment opportunities). When employing full-time faculty, they pay meager salary. Perhaps many of them have neither practical nor academic expertise and lack training.

Globalization leads to challenges and threats also. The major concern is to deliver excellent education with updated curriculum and practical exposure. This is possible only by attracting talented & experienced persons into academics.

At present, it is difficult to assess not only the nature and dimensions of globalization, but also what it means to the field of education. A few educational researchers have attempted to make connections between the several dimensions of globalization and the policies of education.

India is witnessing new era in the field of Management Education. Many Corporate groups like Reliance, Nirma, Tata, Sterlite etc. have promoted Management Institutes. Some reputed foreign universities are also coming to India. However, Government should issue some guidelines so that fees structure remains within certain limit and those who are from economically poor background have same opportunity.

RECURRING CHANGE THEMES

Three key insights underpin effective change management in the areas of flexible and online learning.

Change is learning, and learning is change. When a decision is made to change all or part of an educational program, those who are to deliver these changes will be faced with having to do something new. Each of these new practices identifies a capability gap

that the practitioners must learn. For example, to ensure that the rapid scale up in the use of the IIMs online-learning platform was effective, lecturers had to learn not only how to set up their site but also how to use its interactive potential appropriately and efficiently. We know also that people will not engage in or stick with a change effort (i.e., a personal learning project) unless they see it as being relevant, desirable, and feasible for them to do so. It is motivation, therefore, that fuels both individual and organizational change (learning). Understanding how motivation operates is fundamental.

There is a profound difference between "change" and "progress." Whereas "change" involves something being made different or becoming different, "progress" involves a judgment that this change is moving in a desirable direction. Notions of what constitutes "progress" in education are, therefore, eminently value-laden and subjective. They are neither objective nor universal.

Individual learning and organizational learning are inextricably linked. The strategic development priorities of organizations can be achieved in practice only if the individuals responsible for their implementation are willing and enabled to learn how to do them. Conversely, as people adapt to day-to-day changes in their operating environment, they help create the material for organizational learning. This process is as true for an educational organization as it is for any other.

CONCLUSION

There is little doubt that due to globalization management education—in every sector—is currently facing a powerful combination of pressures for change. The call for colleges and universities to increase their use of IT for learning and to become "more flexible" is part of this context, even though what these ideas might mean in operational terms still remains cloudy for many.

We have argued that management education has little choice but to face the powerful pressures for educational reform head-on but that it should do so in an informed and strategic fashion. The best way to do this is to get a much sharper picture of the "how" of change (implementing those ideas). I believe that our skill in successfully implementing the "how" of change will be most telling in the coming five years, especially in public education. This will be particularly true for the way in which we respond to the call for a rapid scale-up in the use of online learning and other applications of IT and to the call for greater flexibility and responsiveness in the design and delivery of our programs in an increasingly accountable, competitive, and scrutinized environment.

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STRATEGIES FOR ENHANCING STUDENT'S JOB PLACEMENT

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ABSTRACT

In this globalized world, everything is envisaged as a challengeable task and in the entry of many multinational companies; plenty of job opportunities are thrown out in the country but in lieu of it, there are also increasing state of unemployment in the country. Millions of students pass out their studies every year but most of them are not being placed in the job, which suits them. This paper examines the possible solutions that can be taken into view so that the institution and the industry can co-join and stimulate to the successful placement for their students during the college year. This paper also identifies the gaps for the bridging up the relationship between the industry and the institution to have job placement for the students.

KEYWORDS

Industry Needs, Institutional Support, Industry Institution Interface etc.

INTRODUCTION

The country's future as an economic superpower lies in taking advantage of the demographic boom. Higher education sector has to respond with dynamism to keep pace with job creation, while industries are evincing interest to enter into tie-ups with urban institutions, similar association must also be strengthened with their college students, where great talent lies undetected (Staff reporter, The Hindu, 2008).

So mastering these talents into productive results in which the quality depends upon the institutions and the degree of the personal involvement of the students. In today's scenario, placement is the buzzword. The opportunities for graduates and post graduates in various sectors have increased tremendously, especially for engineering students. After the globalization, everything is widened; there is a greater need for non-technical acumen than technical.

Universities and industry have been collaborating for over a century, but the rise of a global knowledge economy has intensified the need for strategic partnerships that go beyond the traditional funding of discrete research projects. Excellent research universities are at the forefront of pioneering such partnerships (Science Business Innovation Board, 2012). Academia-industry interface could be defined as a collaborative arrangement between academic institutions and business corporations towards achievement of certain mutually inclusive goals and objectives (Gopal, 2010). As said by Hughes (2002) Employment plays the central and pivotal role in adult life.

Institutions organize on-campus and off-campus placements and job fairs by pooling students from various institutions, companies that recruit students in large numbers. However, many graduates are not able to get through the recruitment process and jobs. Current technological and economic changes have created a challenging context for students.

The difficulties facing manpower are greater in comparison to the machines. The management studies accord high priority. For problems relating to manpower, many industries need human talents to intuit the manpower in their organization, thus giving more importance to the masters in business administration.

Maidment (2003) identified recent recognition of workplace learning from within the University sector, which has resulted in more emphasis being placed a field experiences than in course curriculum across a range of disciplines. A number of problems that students face suggest that the need for additional opportunities both before and during the placements to engage with material on safety in the field, and ways to deal with workplace stress and conflict. The recent moves from universities to embrace industry based learning, clearly has implications for funding support made available to students undertaking this type of education. Large interaction between Technical institutions and industry is the need of the hour.

The journey of cooperation between industry and academic institutions has taken different forms at different times. Historically, it started with simple interaction and gradually evolved to very close partnership over time. A productive interface between academia and industry is a critical requirement for inclusive growth, as additional employment leads to GDP growth (World Economic Forum, 2009).

- Industry Needs "ideas". It has funds, but has chronological limitations. It has Mind of Yesterday—outmoded concepts.
- Institutes Need "Funds". They have Time, Expertise and can provide ideas. They have Mind of Tomorrow.
- Bringing them together gets us, Today.

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Collins (2008) suggested that, one of the things that needs to be brought into our education system is a lot more emphasis on innovation, research and development, entrepreneurship, and creative design because no engineering development is ever going to hit the market unless creative design goes into it. There has to be a focus on engineering education where one need not simply talk about the pedagogy of education, but instill in the students that they have to be job creators and not job seekers.

Entrepreneurship is a real time successful heroism, which can be intuited by encouraging the human talents. Not everyone can become an entrepreneur. Therefore, they can prepare themselves to fight in this competition. Cutthroat competition keeps on increasing day by day. Students have to module themselves to seek job in the placement itself.

WHAT INSTITUTION PROVIDE?

Every year lakhs of engineering graduates pass out from the colleges. However, the employment opportunities are comparatively lower than anything, in analyzing it the real cause ought to be envisaged in the colleges only. The institutions in the current scenario provide only a limited exposure to the outside world. All that happens are classroom lectures and they are only running around the bush.

The institutions are fully focused on their curriculum in key to academics, where the reality in the syllabus is not what meets the eye. Therefore, the problem lies in the content of the curriculum.

The B-schools and other professional institutions teach the goings-on in the industry but fail to stimulate the students in the present scenario.

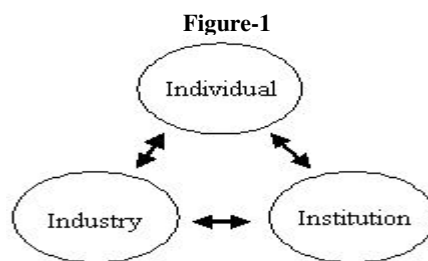
WHAT THE INDUSTRY NEEDS?

In this globalized world, competition is intense and rising in magnitude. So for effectively dealing with this competitiveness and to solve their engineering problems, they look up now to engineering Institutions. Similarly, the institutions are focused on envisaging the engineering students for jobs in the multinational companies, by exposing them to newer technologies and engineering methodologies and the industries are demanding business administrators who would be pillars for their handling of the industries in the path of success.

Turmeau (1981) reveals that manufacturing industries lacks competent engineers. There is the need for engineers in industries to facilitate exploitation of the technologies. There is the need to provide education to engineers, which will ensure satisfaction over their career span.

Even years ago, persons with excellent technical skills were required by industries. Now, talented and high knowledge students are needed. There should be always a win-win situation, so that the students and the companies are mutually benefited.

As a student, i.e., the individual must also be updating themselves and match the industry by gaining knowledge from the institutions. Thus it is an III (Triple I) concept.



Sources: Authors Compilation

THE GAP ANALYSIS

Institutions must execute a proper action for sophisticating the growth in the modern aspects. Absence of exposure to the real situation in industry is a weakness with students today. The solution lies in the change in curriculum, exposure of industrial atmosphere to engineering students and subsequent placement of young graduating engineers in industries across the country. These objectives can only be achieved well by bridging the gap between industry needs and the academic institutions.

Change is the only thing that never changes. Thus, it is very necessary to identify the growing changes and ensure changes for adapting to the real world.

If you always do what you always did, you will always get what you always got.

J. Moms Mably

STRATEGIES TO BRIDGE THE GAP

A problem is half solved when it is well defined. By identifying the gaps in the expectations of the industry and the knowledge with the students, a program should be formulated. The strategies that can be followed by the institutions for the success of the students and to ensure the college reputation to have the job placement in industries are discussed below:

Curriculum Development

- The first and foremost thing to be noted is that the change in the curriculum, particularly the technical courses more relevant to the industrial practices, To bring industry closer to the academic and vice-versa. By the Participation of experts from industry in curriculum development.
- For the postgraduate students the real cases and other simulations can be given as a part of their studies, instead of normal theories.

Training Programs

- Enrich the teaching, learning process through identified industrial training. Practical training for students in industries can also be given.
- The students are to be trained in expectations of the industrial demand and not in specific to a company demand.
- Inviting industry experts for guest lectures, seminars and expertise sharing. Like encouraging engineers from industry to visit engineering institution to deliver lectures.
- The institutions could encourage the training agencies like JADE, CCAT and others to help the students to fight against the hectic competitions in every aspect in life.
- In recent years, various associations expect the young minds to generate ideas through successful programs like MMA and other associations.

Industrial Visit

- Institutions can organize industrial visits by students.
- Identifying the opportunities for student project work in Industries.
- By knowing what is happening in the industry, the business environment can be recognized by the students so that they can prepare themselves for industry expectations.

Orientation

- Students should be given a proper orientation during their first year itself, as they can get a clear vision for their future.
- Making the orientation work is very important, if it is to be effective. Students must know what they are, where they are and what they can. Useful orientation and motivation should be given to the students.

Media

- In this ever-changing scenario, media pave a vital role in exposing the happenings around the world.
- Various channels telecast the virtual situations in the business world. Various programs are covering the sensational news and conduct live shows in helping the people to know about the current market.

Faculty (Institution) and Staff (Industry) Exchange

- The real success lies not only in arranging industrial training for students; it should be even scrutinized to the faculty members. As the faculty who plays a major role in shaping the students also to be trained and oriented towards the need of the industries.
- Visits of faculty to industry for study and discussions or delivering lectures on subjects of mutual interest.
- Industry personnel and faculty members can interact so that the faculty can sense this to the students and focus than to the key area needs.
- Organizing workshops, conferences and symposia with joint participation of the faculty and the industries. And having joint research programmes and field studies by faculty and people from industries.

Portals

- Invent and reinvent is the ongoing concept in today's world. Therefore, updating oneself is very important. There are various virtual learning portals where the present market conditions and the current happenings could be updated so that the students can understand and utilize that information and formulate the required actions.
- In general, a portal should be constructed with information on the happenings in and around the business world. Till such time there is no portal which makes an easy access. So, a proper portal can be regulated by updating the current scenario.

R&D

- Research and development activities with industry assistance.
- One of the popular and effective practices that are being held is of the projects undertaken in the industry by students.
- To take up joint Research & Development projects with the industries, the institutions can initiate five innovative student projects each year for new innovative product development.

Improving Soft Skills

- To organize Business Plan Competitions every year, promote creative thinking and develop communication, marketing and management skills.

Rao (2006) requested the AICTE and other organizations concerned with engineering education to seriously think about engineering practices, overhauling the curriculum, changing the pedagogy and addressing the problems of the faculty. He said, “You cannot transform engineering education without transforming your faculty”. Meritorious students should be identified and developed to reputed universities abroad to do research and come back and teach in India. Priority should also be given to giving rewards for educational innovations.

The government also contributes for the successful and it offers various financial aids to the needy persons. IITM and its alumni propose to set up a R&D Park for promoting R&D industry working with institutes on the model of Stanford Research Lab where it would promote entrepreneurship and enable start-ups. In part of it the government has in-principle granted 10 acres of land in Taramani.

CONCLUSIONS

Picking up the right choice from the available opportunity is a brilliant note to a successful career path. Many portals help the students for their placements. Ratedprofiles.com is an online career management portal for the students and professionals, various similar portals have been established to update and to find the right path. There are various programs that are conducted by well-reputed institutions like “Campus Conduct” by TCS, “Empower Program” by CTS, etc., and IBM is also conducting training programs for the students. Students, institutions and industry should together joint and have the trinity to frame a growth programme for the country. Bringing up a good human being lays in the hands of the institutions. Students should also coordinate with the institutions and update on every process so as to find a place in the industry which make them valuable.

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HUMOUR ADVERTISING AS AN UPCOMING NEW TREND IN ADVERTISING

Manish Nangia³⁴ Dr. Harish Handa³⁵

ABSTRACT

Humour advertising is fast emerging as a new means of advertising. Now a day's humour has been used extensively in consumer product advertising on TV, radio, and in print media as well since humour is the buzzword these days. It is the rooted belief that humour produces desirable effects in persuading consumers to adopt products. Lot of effort has been spent on investigating the relationship between humour and a diverse array of response variables. Among these variables are the humour perceived by the consumer when viewing or hearing the ads, brand attitude, and ad recall. It has been proposed that the effect of humorous ads passes beyond temporary amusement and influences message recall most of the time. Eventually, because of this process, consumers in the target audience form positive brand attitudes toward the product.

Many brands are now moving from the traditional product benefit appeal in advertising to using humour appeal advertising to target their consumers better. There is thus a need to study the effectiveness of this shift in the advertising appeal and its impact on the consumer behaviour. The product category selected for this research is Chewing gums as there are many chewing gum brands in the Indian market, which have adopted the humour appeal advertising strategies dominantly.

KEYWORDS

Humour, Advertising, Appeal, Consumer Behaviour etc.

INTRODUCTION

A lot of debate is going on regarding use of humour in advertising message comprehension. It has been found that humorous commercials are more effective than comparable serious messages as people like the lighter part of humour and can recall the brand & product being advertised instantly. Humour is found to influence consumers brand attitude and their brand information recall. Perceived humour appears to be affected by social setting, but unaffected by another mediating factor i.e. frequency of exposure. There are many advantages for using humour in advertising as people will tend to pay more attention to a humorous commercial, than a commercial that is a factual or serious one, opening themselves up to be influenced. They will actually look for those advertisements, which they consider as easier to remember and talk about them if they are good in humour.

Effect of Humour Advertising on Consumer Perception

People like to watch funny things in advertisements as they relax and pay attention when they perceive that there is humour involved in the advertisement. It can help to put them into a good mood and helps to create a more comfortable atmosphere, which enables a more positive image as well as a more approachable product to the consumer.

Perception about Humorous Advertisements of Chewing Gums

One of the most remarkable things about chewing gums advertising campaigns is the creation of a meaning for gum in those commercials. Earlier the chewing gums advertisements were viewed as distasteful, impolite in society. The advertisers had a huge task in hand to change this perception of consumers. Gum was increasingly advertised as a pick-me-up, something that would make the day go by faster. It was meant for the tired and the nervous consumers initially. In recent advertisements, the focus is on strong, bright healthy & shining teeth. Now a day we see creative and eye-catching material that is meant to attract a consumer to the chewing gum product as a must buy product based upon their funny & catchy humorous advertisements. There are many chewing gum brands in the Indian market, which have adopted the humour appeal advertising strategies dominantly for promoting their brand.

OBJECTIVES OF STUDY

The main objectives of this study are:

- To understand the effect of humour advertising adopted by chewing gum brands on consumers perception, brand image and identity,
- To understand consumers attitude towards humour advertising with focus on Chewing gum brands,
- To analyses, the effect of humour advertising on brand recalls and brand awareness about chewing gum product category.

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HYPOTHESIS OF STUDY

- H₁: Humour advertising has a positive impact on consumers.
- H₂: Humour advertising aids in brand recall and brand awareness and has a helps in building a positive brands identity and image.

RESEARCH METHODOLOGY

Sources of Data Collection

Primary & Secondary Data

Both primary and secondary data collection methods were used for the study.

The research conducted for this study was descriptive and exploratory research. The descriptive research is marked by prior formulation of specific research questions. It is pre planned and has a structured design. The objective of this type of research is to find out who, when, where and how in terms of the consumer and their attitude towards humour advertising.

The exploratory research aided in drafting of the final questionnaire and giving insights into consumer behaviour, thus enhancing quality and ensuring a good questionnaire.

Location

The research was conducted in Delhi.

Sampling Technique

A combination of both Probability and Non-Probability sampling technique were used which included Area / Cluster and Quota sampling technique.

Sample Size

A sample size of 100 was considered in a homogenous group.

Type of Questionnaire

A questionnaire was used for the purpose of personal interview. The questionnaire was structured and formal in nature. The findings of filled in questionnaires are enclosed:

DATA ANALYSIS AND INTERPRETATION

Table-1: Age Profile of Respondents

| S. No. | Age Group | Number of Respondents | Percentage |
|--------|-----------|-----------------------|------------|
| 1 | 20 to 30 | 26 | 26% |
| 2 | 30 to 40 | 56 | 56% |
| 3 | 40 to 50 | 18 | 18% |
| | Total | 100 | 100% |

Sources: Field Investigation

The survey revealed that 56% of the respondents fall under the age group of 30 to 40, 26% of the respondents fall under the age group of 20 to 30, 18% of the respondents fall under the age group of 40 to 50. It can be concluded that majority of the respondents fall under the age group of 30 to 40.

Table-2: Sex Profile of Respondents

| Sl. No. | Sex | Number of Respondents | Percentage |
|---------|--------|-----------------------|------------|
| 1 | Male | 80 | 80% |
| 2 | Female | 20 | 20% |
| | Total | 100 | 100% |

Sources: Field Investigation

80% of the respondents are male and the rest 20% of the respondents are female.

Table-3: Education Profile of Respondents

| Sl. No. | Qualifications | Number of Respondents | Percentage |
|---------|---------------------|-----------------------|------------|
| 1 | Illiterate | 20 | 20% |
| 2 | Below Matriculation | 18 | 18% |
| 3 | Matriculation | 16 | 16% |
| 4 | Graduate | 08 | 08% |
| 5 | Post Graduate | 04 | 04% |
| 6 | Any Other | 34 | 34% |
| | Total | 100 | 100% |

Sources: Field Investigation

From the survey conducted it was found that 34% of the respondents are pursuing higher education, 20% of respondents are illiterate, 18% of the respondents are below matriculation, 16% of respondents are matriculates, 8% of respondents are graduate and only very small percentage i.e. 4% of the Respondents are post-graduates

Table-4: Occupation Profile of Respondents

| Sl. No. | Occupation | Number of Respondents | Percentage |
|---------|---------------------|-----------------------|------------|
| 1 | Student | 36 | 36% |
| 2 | Government Employee | 06 | 6% |
| 3 | Self-Employee | 18 | 18% |
| 4 | Private Employee | 40 | 40% |
| | Total | 100 | 100% |

Sources: Field Investigation

40% of the respondents are private employees, 36% of the respondents are student, 18% of the respondents are self-employee, 6% of the respondents are government employees.

Table-5: Preferred Brand of Respondents

| Sl. No. | Name of Brand | Number of Respondents | Percentage |
|---------|---------------|-----------------------|------------|
| 1 | Happy Dent | 23 | 23% |
| 2 | Orbit | 40 | 40% |
| 3 | Centre Fresh | 18 | 18% |
| 4 | Others | 19 | 19% |
| | Total | 100 | 100% |

Sources: Field Investigation

40% of the respondents are in favour of Orbit, 23% of the respondents are in favour of Happy Dent, 18% of the respondents are in favour of Centre Fresh, 19% of the respondents are prefer other brands.

Table-6: Table showing the Frequency

| Sl. No. | Frequency | Number of Respondents | Percentage |
|---------|--------------|-----------------------|------------|
| 1 | Daily | 13 | 13% |
| 2 | Bi-Weekly | 24 | 24% |
| 3 | Weekly | 38 | 38% |
| 4 | Occasionally | 25 | 25% |
| | Total | 100 | 100% |

Sources: Field Investigation

38% of the respondents chew it weekly, 25% of the respondents chew it occasionally, 24% of the respondents chew it bi-weekly, 13% of the respondents chew it daily.

Table-7: Brand Recall Test Based Upon Humorous Advertisement

| Sl. No. | Name of Brand | Number of Respondents | Percentage |
|---------|---------------|-----------------------|------------|
| 1 | Correct | 63 | 63% |
| 2 | Incorrect | 37 | 37% |
| | Total | 100 | 100% |

Sources: Field Investigation

63% of the respondents recall brands, 37% of the respondents were not able to recall brand.

Table-8: Repetition of Humorous Advertisements

| Sl. No. | Frequency | Number of Respondents | Percentage |
|---------|-------------------|-----------------------|------------|
| 1 | Strongly agree | 33 | 33% |
| 2 | Agree | 24 | 24% |
| 3 | Neutral | 18 | 18% |
| 4 | Disagree | 15 | 15% |
| 5 | Strongly disagree | 10 | 10% |
| | Total | 100 | 100% |

Sources: Field Investigation

33% of the respondents strongly agree that humorous advertisements should have repetition

MAJOR FINDINGS

- 56% of the respondents fall under the age group of 30 to 40,
- 80% of the respondents are male and the rest 20% of the respondents are female,
- 34% of the respondents are pursuing higher education,
- 40% of the respondents are private employees,
- 40% of the respondents are in favour of Orbit,
- 38% of the respondents chew it weekly,
- 63% of the respondents recall brands,
- 33% of the respondents strongly agree that humorous advertisements should have repetition. Therefore, it can be concluded that Humour advertising is an upcoming trend in advertising as people enjoy watching these advertisements.

SUGGESTIONS

- Humorous advertisements should be used more often with continuous repetition in order to attract customers.
- The humorous advertisements for chewing gums will attract lot of consumers as they associate very quickly with them.
- Endorsement of chewing gums by celebrities should be used in a humorous way.
- Humour should change very frequently for making an impact on the mindset of consumer.

CONCLUSION

It can be concluded that Humour advertising aids in very fast brand recall and brand awareness and also helps in building a positive brand identity and image.

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MEASURING THE IMPACT OF ENJOYMENT & EXCITEMENT ON ONLINE SHOPPING WITH REFERENCE TO TAM MODEL

Mohit Kanjwani³⁶ Preeti Singh³⁷

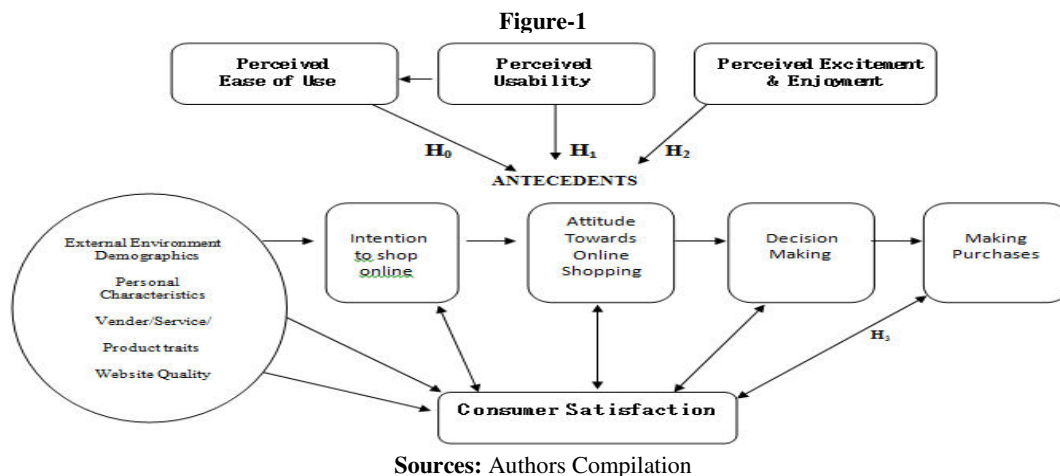
ABSTRACT

With increasing incomes, people become more technocrats, from black and white to color televisions, from cassette players to portable mp3 players. Although the technology has advanced over the years but people have taken more time to accept adopt it in their life. Lack of technology acceptance is a big challenge for the marketers. The paper summarizes online shopping behavior research in a systematic way. A number of researches have dealt with online shopping behavior but purpose of this study is to analyze factors affecting on online shopping behavior of consumers. One of the objectives of this study is to cover some factors using TAM model along with Perceived excitement and enjoyment that influence on online shopping behavior, which were not covered in previous studies.

KEYWORDS

Perceived Ease of Use, Perceived Usability, Perceived Excitement & Enjoyment, Online Shopping Behavior etc.

INTRODUCTION



Many Companies have understood the potential of electronic commerce, not only as a way of reducing costs by automation and increased efficiency, but, also as a medium to expand revenues through enhanced customer service. Corporate websites are an interface through which customers and firms interact with each other.

E- Commerce (Internet) is now continually used for online shopping, whether it is about booking railway tickets, comparing policy's or buying fashion accessories for upcoming parties, online shopping is solution. Online shopping means, 'the shopping behavior of consumer in an online store or a website used for online purchasing purpose' (Monsuwe et al. 2004). Indian market, showing traits of a new market economy has huge potential for online shopping. Online shopping has luxuriantly grown during the recent years because of its unique advantages for both consumers and retailers, such as shopping at round the clock facilities, reduced to store visits, less travel costs, and increased market area, decreasing overhead expenses and a broad range of products. More than 75% of world's online population has ordered goods over the internet in the recent years. The findings of this paper will definitely help both customers (in realizing the benefits of online shopping) and companies (by understanding their customers better)

LITERATURE REVIEW

Technology Acceptance Model (TAM)

In this paper, we have extended technology acceptance model (TAM) (Davis, 1989) to understand the variables, which affect online shopping. 'Technology acceptance model is a foundation for examination of customer's approval of online shopping

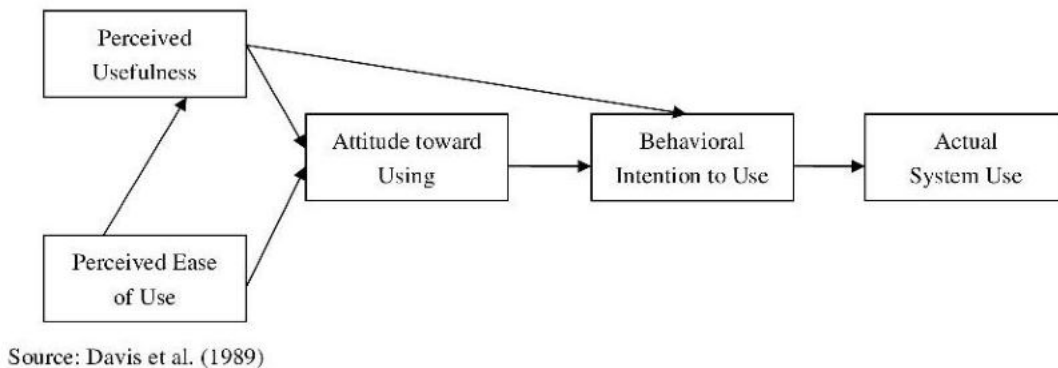
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(Stoel and Ha, 2009). Perceived ease of use (PEOU) and perceived usefulness (PU) are the two external variables of TAM (Davis, 1989). TAM, (Davis et al., 1989) has been used as a tool of measuring online shopping by many, (Ahn et al. (2004) and O'Cass and Fenech (2003)). While most studies extended TAM to an adapted (simplified and/or expanded) conceptual framework.

Technology Acceptance Model (TAM)

Figure-2



We have extended technology acceptance model by using perceived enjoyment and excitement (PEAE) as a 3rd external variable which affects online shopping intention.

Perceived Usefulness

Perceived usefulness is the perception of an individual that usage of new system will help her/him to achieve gains in their work performance. Although the online shopping is typically a SST, (Self Service Technology), it is an efficient search tool for products and services. Davis (1989) pointed out the importance of perceived usefulness: users are driven to adopt an application primarily because of functions it performs for them and secondarily for how easy or hard it is to get the system to perform those functions. If a person perceives that usefulness facilities are greater than the effort required to use the internet then he / she will use the internet for online shopping. Using scales of Davis (1989) and Gefen et al. (2003), we measured how much online shopping proved useful to its current as well as potential users.

H₀: Perceived usability has no significant impact on intention to shop online.

H₁: Perceived usability has significant impact on intention to shop online.

Perceived Ease of Use

Perceived ease of use is the perception of an individual that it requires no cost or effort in the adoption of new system or technology. In 1989 in a theory of reasoned action (Davis) – TAM – explained the acceptance or renunciation of a new technology. Davis' model used two key factors, Ease of use and usability. Further research on this model has also shown a significant correlation between ease of use and usability (Zhou L. and Zhang, D. (2007), Shim, and Warrington (2001)). The perceived ease of use is defined as "the extent to which a person believes that using the system will be free of effort" (Doll et al., 1988). It suggests that existing tools, methods and routines can be applied to current situation. In such a case, there will be no perception of uncertainty (Eriksson and Sharma, 2003). Davis, in his original model (1989) found that ease of learning has been an important component of ease of using. This has been validated also in research by Adams et al. (1992), Segars and Grover (1993), Subramanian (1994) and Doll et al. (1998). Using scales of Davis (1989) and Gefen et al. (2003), we measured how much online shopping was easy to use for its actual as well as potential users.

H₀: Perceived ease of use has no significant impact on intention to shop online.

H₂: Perceived ease of use has significant impact on intention to shop online.

Perceived Enjoyment and Excitement

Perceived enjoyment and excitement is the individual perception that by adopting new system or technology he/she will have pleasure. Using a new technology and interface will excite a person, motivating him/her to use that technology. Being an essential element of online shopping, it imparts fun in online shopping leading to more active participation in online shopping.

Hsu and Lu, (2004) in their research showed that enjoyment effects online shopping. Thong et al. (2006) suggested a significant impact of enjoyment on shopping.

Triandis, (1980) also discussed that the feelings of delight, pleasure and joy have encouraging effect on online shopping. As compared with the offline shopping, online shopping can be equally enjoyable and enjoys certain merits over offline shopping. Measuring the same using scales of Moon and Kim, (2001) we have the following hypothesis.

H₀: Perceived Enjoyment has no significant impact on intention to shop online.

H₃: Perceived Enjoyment has significant impact on intention to shop online.

Intention to Shop Online

Online shopping is the consumers shopping behavior to shop online. The people who find it easy to use, useful and enjoyable can accept online shopping. Technology acceptance model is used to understand the variables that affect online shopping. These variables are perceived usefulness, perceived ease of use and perceived enjoyment and excitement. A person may have a miniature amount of intention because of presence of constraints (behavioral control factors) leading to a negative intention towards online shopping but the stronger an individual's behavioral intention is, the more likely he is to perform the behavior. Previous studies have adopted various scales to measure respondents' e-shopping intention: a two-point scale and multi-point qualitative scales. Among the latter, five-point scales and seven-point scales have been most commonly used. Early studies used integrated short and long-term intentions (E.g., Choi and Geistfeld, 2004; Jarvenpaa et al., 2000; van der Heijden et al). Previous studies have adopted various scales to measure respondents' e-shopping intention: a two-point scale and multi-point qualitative scales. Using a seven point scale (Moon and Kim, (2001)), following hypothesis are made.

H₀: Intention to Shop Online has no significant impact on customer satisfaction.

H₄: Intention to Shop Online has significant impact on customer satisfaction.

HYPOTHESES REGARDING DEMOGRAPHICS

H_{D1}: The age of the customer has no differentiation on online customer satisfaction.

H_{D1A}: The age of the customer has significant differentiation on online customer satisfaction.

H_{D2}: The gender of the customer has no differentiation on online customer satisfaction.

H_{D2A}: The gender of the customer has significant differentiation on online customer satisfaction

H_{D3}: The occupation of the customer has no differentiation on online customer satisfaction.

H_{D3A}: The occupation of the customer has significant differentiation on online customer satisfaction

H_{D4}: The state of domicile of the customer has no differentiation on online customer satisfaction.

H_{D4A}: The state of domicile of the customer has significant differentiation on online customer satisfaction.

RESEARCH METHODOLOGY

In this busy life, we want everything at a convenience whether it is about mobile recharges, or bank transactions, the same is the case of online shopping. The paper tries to examine the impact, which enjoyment and excitement bear on online shopping intentions.

Data collection

A self-administered, structured questionnaire was made to collect the data. The designed questionnaire was uploaded on Google drive, and the link had been sent to around 200 respondents i.e. our target sample size. Out of which 150 were filled and in these 150, the blank forms were dropped out.

Measures

A questionnaire comprising of 4 sections with 24 questions was used for the purpose of measurement. For the study, a seven point and a five point Likert scale was used ranging from "Strongly Disagree to Strongly Agree", as it is more reliable and provides a greater volume of data.

Data Analysis Technique

For the purpose of this study, extensive use of the Statistical software known as the Statistical Package for Social Sciences (SPSS) is used to calculate various factors to know relations between variables in order to prove the hypotheses. The following tools used for the analysis and interpretation are T-test, Anova, Regression analysis.

FINDINGS & INTERPRETATIONS

Regarding Demographics

H_{D1}: The age of the customer has no differentiation on online customer satisfaction.

H_{D1A}: The age of the customer has significant differentiation on online customer satisfaction.

Table-1: ANOVA

| MEAN_CS | | | | | |
|----------------|----------------|-----|-------------|-------|------|
| | Sum of Squares | df | Mean Square | F | Sig. |
| Between Groups | 1.873 | 7 | .268 | 2.415 | .023 |
| Within Groups | 15.508 | 140 | .111 | | |
| Total | 17.381 | 147 | | | |

Sources: Authors Compilation

An ANOVA analysis was conducted to compare consumer satisfaction as a condition of age. There was a significant difference in scores for age ($M= 3.000000$, $s.d= 1.90595$) and customer satisfaction ($M= 2.8836$, $S.d= .34386$) conditions, $t (=748, p=0.023)$. These results suggest that age really does have an effect on consumer satisfaction. Specifically there is a significant role of age in online customer satisfaction.

Table-2: Independent Samples Test

| | | t-test for Equality of Means | | | | | | |
|---------|--------------------------------|------------------------------|---------|--------------------|--------------------|--------------------------|--|--------|
| | | t | Df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | 95% Confidence Interval of Difference | |
| | | | | | | | Lower | Upper |
| MEAN_CS | Equal Variances assumed | .434 | 146 | .665 | .02502 | .05758 | -.08878 | .13882 |
| | Equal Variances not assumed | .437 | 132.081 | .663 | .02502 | .05722 | -.08818 | .13821 |

Sources: Authors Compilation

H_{D2}: The gender of the customer has no differentiation on online customer satisfaction.

H_{D2A}: The gender of the customer has significant differentiation on online customer satisfaction.

An independent sample t test was conducted to compare consumer satisfaction as a condition of gender. There was a significant difference in scores for gender ($M= 2.8813161$, $S.d= .343682$) and customer satisfaction ($M= 2.8836$, $S.d= .34386$) conditions, $t(=434, p=0.665)$. These results suggest that gender really does not have an effect on consumer satisfaction. Specifically there is no significant role of age in online customer satisfaction.

H_{D3}: The occupation of the customer has no differentiation on online customer satisfaction.

H_{D3A}: The occupation of the customer has significant differentiation on online customer satisfaction

Table-3: ANOVA

| MEAN_CS | | | | | |
|----------------|----------------|-----|-------------|-------|------|
| | Sum of Squares | df | Mean Square | F | Sig. |
| Between Groups | 1.639 | 4 | .410 | 3.723 | .006 |
| Within Groups | 15.742 | 143 | .110 | | |
| Total | 17.381 | 147 | | | |

Sources: Authors Compilation

An ANOVA analysis was conducted to compare consumer satisfaction as a condition of occupation. There was a significant difference in scores for occupation ($M= 2.5608$, $S.d= 1.179$) and customer satisfaction ($M= 2.8836$, $S.d= .34386$) conditions, $t (=3.47, p=0.006)$. These results suggest that occupation really does have an on effect consumer satisfaction. Specifically there is a significant role of occupation in online customer satisfaction

H_{D4}: The state of domicile of the customer has no differentiation on online customer satisfaction.

H_{D4A}: The state of domicile of the customer has significant differentiation on online customer satisfaction.

Table-4: ANOVA

| MEAN_CS | | | | | |
|----------------|----------------|-----|-------------|-------|------|
| | Sum of Squares | df | Mean Square | F | Sig. |
| Between Groups | .272 | 2 | .136 | 1.153 | .319 |
| Within Groups | 17.109 | 145 | .118 | | |
| Total | 17.381 | 147 | | | |

Sources: Authors Compilation

An ANOVA analysis was conducted to compare consumer satisfaction as a condition of state of domicile. There was a significant difference in scores for state of domicile ($M = 1.54$, $S.d = 0.59$) and customer satisfaction ($M = 2.8836$, $S.d = .34386$) conditions, $t (-24.57, p=0.319)$. These results suggest that state of domicile really does not have an effect on consumer satisfaction. Specifically there is no significant role of state of domicile on in online customer satisfaction

Descriptive Related to Websites Used

Table-5: Website Mostly Used

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|----------|-----------|---------|---------------|--------------------|
| Valid | Mantra | 84 | 56.0 | 56.0 | 56.0 |
| | Snapdeal | 9 | 6.0 | 6.0 | 62.0 |
| | Flipkart | 9 | 6.0 | 6.0 | 68.0 |
| | Jabong | 23 | 15.3 | 15.3 | 83.3 |
| | ebay | 6 | 4.0 | 4.0 | 87.3 |
| | yebhi | 9 | 6.0 | 6.0 | 93.3 |
| | star cj | 4 | 2.7 | 2.7 | 96.0 |
| | Others | 6 | 4.0 | 4.0 | 100.0 |
| | Total | 150 | 100.0 | 100.0 | |

Sources: Authors Compilation

Table-6: Descriptive Statistics

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---------------------|-----|---------|---------|--------|----------------|
| Website mostly used | 150 | 1.00 | 8.00 | 2.5400 | 2.09707 |
| Valid N (listwise) | 150 | | | | |

Sources: Authors Compilation

Hypothesis Analysis

H₀: Perceived usability has no significant impact on intention to shop online.

H_{0A}: Perceived usability has significant impact on intention to shop online.(Alternative Hypothesis)

Table-7: ANOVA^a

| | Model | Sum of Squares | df | Mean Square | F | Sig. |
|------------------------------------|------------|----------------|-----|-------------|---------|-------------------|
| 1 | Regression | 28.776 | 1 | 28.776 | 102.108 | .000 ^b |
| | Residual | 41.145 | 146 | .282 | | |
| | Total | 69.921 | 147 | | | |
| a. Dependent Variable: MEAN_OSI | | | | | | |
| b. Predictors: (Constant), MEAN_PU | | | | | | |

Sources: Authors Compilation

Table-8: Coefficients^a

| | Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---------------------------------|------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 2.546 | .316 | | 8.048 | .000 |
| | MEAN_PU | .564 | .056 | .642 | 10.105 | .000 |
| a. Dependent Variable: MEAN_OSI | | | | | | |

Sources: Authors Compilation

A linear regression was conducted to compare online shopping intention as a condition of perceived usefulness. There was a significant difference in scores for perceived usefulness ($M = 5.61$, $S.d = 0.78$) and online shopping intention ($M = 5.71$, $S.d = 0.68$) conditions, ($t=10.10$, $p=0.000$). These results suggest that perceived usefulness really does have an effect on online shopping intention. Specifically there is a significant role of perceived usefulness on in online shopping intention.

H₁: Perceived ease of use has no significant impact on intention to shop online.

H_{1A}: Perceived ease of use has significant impact on intention to shop online.

Table-9: ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------------------------------------|------------|----------------|-----|-------------|--------|-------------------|
| 1 | Regression | 26.949 | 1 | 26.949 | 91.561 | .000 ^b |
| | Residual | 42.972 | 146 | .294 | | |
| | Total | 69.921 | 147 | | | |
| a. Dependent Variable: MEAN_OSI | | | | | | |
| b. Predictors: (Constant), MEAN_PEU | | | | | | |

Sources: Authors Compilation**Table-10: Coefficients^a**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---------------------------------|------------|-----------------------------|------------|---------------------------|-------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 1.892 | .402 | | 4.708 | .000 |
| | MEAN_PEU | .662 | .069 | .621 | 9.569 | .000 |
| a. Dependent Variable: MEAN_OSI | | | | | | |

Sources: Authors Compilation

A linear regression was conducted to compare online shopping intention as a condition of perceived ease of use. There was a significant difference in scores for perceived ease of use ($M= 5.61$, $S.d= 0.78$) and online shopping intention ($M= 5.71$, $S.d= 0.68$) conditions, ($t=9.56$, $p=0.000$). These results suggest that perceived ease of use really does have an effect on online shopping intention. Specifically there is a significant role of perceived ease of use in online shopping intention

H₂: Perceived Enjoyment has no significant impact on intention to shop online.

H_{2A}: Perceived Enjoyment has significant impact on intention to shop online.

Table-11: ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------------------------------------|------------|----------------|-----|-------------|---------|-------------------|
| 1 | Regression | 35.642 | 1 | 35.642 | 151.805 | .000 ^b |
| | Residual | 34.279 | 146 | .235 | | |
| | Total | 69.921 | 147 | | | |
| a. Dependent Variable: MEAN_OSI | | | | | | |
| b. Predictors: (Constant), MEAN_PEU | | | | | | |

Sources: Authors Compilation**Table-12: Coefficients^a**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---------------------------------|------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 2.786 | .241 | | 11.567 | .000 |
| | MEAN_PEU | .506 | .041 | .714 | 12.321 | .000 |
| a. Dependent Variable: MEAN_OSI | | | | | | |

Sources: Authors Compilation

A linear regression was conducted to compare online shopping intention as a condition of perceived enjoyment. There was a significant difference in scores for perceived enjoyment ($M= 6.77$, $S.d= 0.99$) and online shopping intention ($M= 5.71$, $S.d= 0.68$) conditions, ($t=12.32$, $p=0.000$). These results suggest that perceived enjoyment really does have an effect on online shopping intention. Specifically there is a significant role of perceived enjoyment on in online shopping intention

H₃: Intention to Shop Online has no significant impact on customer satisfaction.

H_{3A}: Intention to Shop Online has significant impact on customer satisfaction.

Table-13: ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------------------------------------|------------|----------------|-----|-------------|------|-------------------|
| 1 | Regression | .002 | 1 | .002 | .018 | .893 ^b |
| | Residual | 17.379 | 146 | .119 | | |
| | Total | 17.381 | 147 | | | |
| a. Dependent Variable: MEAN_OSI | | | | | | |
| b. Predictors: (Constant), MEAN_PEU | | | | | | |

Sources: Authors Compilation

Table-14: Coefficients^a

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 2.852 | .237 | | 12.013 | .000 |
| | MEAN_PEU | .006 | .041 | .011 | .135 | .893 |

a. Dependent Variable: MEAN_OSI

Sources: Authors Compilation

A linear regression analysis was conducted to compare customer satisfaction as a condition of online shopping intention. There was a significant difference in scores for online shopping intention ($M= 5.71$, $S.d= 0.68$) and customer satisfaction ($M= 2.8836$, $S.d= .34386$) conditions, ($t=0.135$, $p=0.893$). These results suggest that online shopping intention really does not have an effect on online shopping intention. Specifically there is no significant role of online shopping intention on customer satisfaction.

Table-15: Summary of Findings

| S. No. | Hypothesis | Accepted / Not Accepted | Sig. | Mean | St. Dev. | T-test |
|--------|---|-------------------------|------|--------|----------|--------|
| 1 | H _{D1} : The age of the customer has no differentiation on online customer satisfaction. | Not Accepted | .023 | 2.8836 | .34386 | 19.275 |
| 2 | H _{D1A} : The age of the customer has significant differentiation on online customer satisfaction. | Accepted | | | | |
| 3 | H _{D2} : The gender of the customer has no differentiation on online customer satisfaction. | Accepted | .665 | 5.7628 | 0.68736 | 34.956 |
| 4 | H _{D2A} : The gender of the customer has significant differentiation on online customer satisfaction | Not Accepted | | | | |
| 5 | H _{D3} : The occupation of the customer has no differentiation on online customer satisfaction. | Not Accepted | .006 | 2.8836 | .34386 | 26.250 |
| 6 | H _{D3A} : The occupation of the customer has significant differentiation on online customer satisfaction. | Accepted | | | | |
| 7 | H _{D4} : The state of domicile of the customer has no differentiation on online customer satisfaction. | Accepted | .319 | 2.8836 | .34386 | 31.547 |
| 8 | H _{D4A} : The state of domicile of customer has significant differentiation on online customer satisfaction. | Not Accepted | | | | |
| 9 | H ₀ : Perceived usability has no significant impact on intention to shop online. | Not Accepted | .000 | 5.6179 | 0.78504 | 8.048 |
| 10 | H _{0A} : Perceived usability has significant impact on intention to shop online. (Alternative Hypothesis) | Accepted | | | | |
| 11 | H ₁ : Perceived ease of use has no significant impact on intention to shop online. | Not Accepted | .000 | 5.7703 | 0.64665 | 4.708 |
| 12 | H _{1A} : Perceived ease of use has significant impact on intention to shop online. (Alternative Hypothesis) | Accepted | | | | |
| 13 | H ₂ : Perceived Enjoyment has no significant impact on intention to shop online. | Not Accepted | .000 | 5.7866 | 0.9736 | 11.567 |
| 14 | H _{2A} : Perceived Enjoyment has significant impact on intention to shop online.(Alternative Hypothesis) | Accepted | | | | |
| 15 | H ₃ : Intention to Shop Online has no significant impact on customer satisfaction. | Accepted | .893 | 5.7123 | 0.6896 | 12.013 |
| 16 | H _{3A} : Intention to Shop Online has significant impact on customer satisfaction. (Alternative Hypothesis) | Not Accepted | | | | |

Sources: Authors Compilation

LIMITATIONS OF STUDY

The main limitation of this paper is time constraint. In a short span of time, we had to manage with a small sample size along with limited resources. As the questionnaire was online, there was less familiarity among the respondents. However, as the online shopping has huge potential, the paper maintains the same status quo and can be used in future for a research at a bigger level.

CONCLUSIONS

From the study it is identified that the overall impact that respondents were positively influenced by their intention to shop online which was evaluated by regression analysis, although intention to shop online did not show a significant impact on online customer satisfaction, The study showed positive as well as significant impact of enjoyment and excitement on intention to shop online.

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Annexure

General Demographics

Table-16: Age

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------|-----------|---------|---------------|--------------------|
| Valid | 10-15 | 51 | 34.0 | 34.0 | 34.0 |
| | 15-20 | 19 | 12.7 | 12.7 | 46.7 |
| | 20-25 | 19 | 12.7 | 12.7 | 59.3 |
| | 25-30 | 29 | 19.3 | 19.3 | 78.7 |
| | 30-35 | 15 | 10.0 | 10.0 | 88.7 |
| | 35-40 | 9 | 6.0 | 6.0 | 94.7 |
| | 40-45 | 6 | 4.0 | 4.0 | 98.7 |
| | 8.00 | 2 | 1.3 | 1.3 | 100.0 |
| Total | | 150 | 100.0 | 100.0 | |

Sources: Authors Compilation

Table-17: State of Domicile

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|----------------|-----------|---------|---------------|--------------------|
| Valid | Madhya Pradesh | 77 | 51.3 | 51.3 | 51.3 |
| | Mumbai | 65 | 43.3 | 43.3 | 94.7 |
| | Others | 8 | 5.3 | 5.3 | 100.0 |
| | Total | 150 | 100.0 | 100.0 | |

Sources: Authors Compilation**Table-18: Occupation**

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-----------|-----------|---------|---------------|--------------------|
| Valid | Business | 44 | 29.3 | 29.3 | 29.3 |
| | Housewife | 16 | 10.7 | 10.7 | 40.0 |
| | Student | 62 | 41.3 | 41.3 | 81.3 |
| | Service | 21 | 14.0 | 14.0 | 95.3 |
| | Others | 7 | 4.7 | 4.7 | 100.0 |
| | Total | 150 | 100.0 | 100.0 | |

Sources: Authors Compilation**Table-19: Gender**

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|--------|-----------|---------|---------------|--------------------|
| Valid | Male | 89 | 59.3 | 59.3 | 59.3 |
| | female | 61 | 40.7 | 40.7 | 100.0 |
| | Total | 150 | 100.0 | 100.0 | |

Sources: Authors Compilation**Regarding Demographics****H_{D1}:** The age of the customer has no differentiation on online customer satisfaction.**H_{D1A}:** The age of the customer has significant differentiation on online customer satisfaction.**Table-20: Descriptive**

| MEAN_CS | | | | | | | | |
|---------|-----|--------|----------------|------------|----------------------------------|-------------|---------|---------|
| | N | Mean | Std. Deviation | Std. Error | 95% Confidence Interval for Mean | | Minimum | Maximum |
| | | | | | Lower Bound | Upper Bound | | |
| 10-15 | 50 | 2.7567 | .23621 | .03340 | 2.6895 | 2.8238 | 2.17 | 3.33 |
| 15-20 | 19 | 3.0404 | .42464 | .09742 | 2.8357 | 3.2450 | 2.33 | 4.17 |
| 20-25 | 19 | 2.9298 | .43502 | .09980 | 2.7201 | 3.1395 | 2.00 | 3.67 |
| 25-30 | 28 | 2.9583 | .35026 | .06619 | 2.8225 | 3.0942 | 2.50 | 4.00 |
| 30-35 | 15 | 2.8778 | .29859 | .07709 | 2.7124 | 3.0431 | 2.17 | 3.50 |
| 35-40 | 9 | 2.9815 | .26932 | .08977 | 2.7745 | 3.1885 | 2.50 | 3.33 |
| 40-45 | 6 | 2.9444 | .44305 | .18088 | 2.4795 | 3.4094 | 2.50 | 3.50 |
| 8.00 | 2 | 2.5000 | .00000 | .00000 | 2.5000 | 2.5000 | 2.50 | 2.50 |
| Total | 148 | 2.8836 | .34386 | .02827 | 2.8277 | 2.9394 | 2.00 | 4.17 |

Sources: Authors Compilation**H_{D2}:** The gender of the customer has no differentiation on online customer satisfaction.**H_{D2A}:** The gender of the customer has significant differentiation on online customer satisfaction.**Table-21: Group Statistics**

| | Gender | N | Mean | Std. Deviation | Std. Error Mean |
|---------|--------|----|--------|----------------|-----------------|
| MEAN_CS | Male | 87 | 2.8939 | .34973 | .03750 |
| | female | 61 | 2.8689 | .33763 | .04323 |

Sources: Authors Compilation**H_{D3}:** The occupation of the customer has no differentiation on online customer satisfaction.**H_{D3A}:** The occupation of the customer has significant differentiation on online customer satisfaction.

Table-22: Descriptive

| MEAN_CS | | | | | | | | |
|-----------|-----|--------|----------------|------------|----------------------------------|-------------|---------|---------|
| | N | Mean | Std. Deviation | Std. Error | 95% Confidence Interval for Mean | | Minimum | Maximum |
| | | | | | Lower Bound | Upper Bound | | |
| Business | 42 | 2.7857 | .27861 | .04299 | 2.6989 | 2.8725 | 2.17 | 3.50 |
| Housewife | 16 | 2.7813 | .24884 | .06221 | 2.6487 | 2.9138 | 2.50 | 3.50 |
| Student | 62 | 2.8887 | .37712 | .04789 | 2.7929 | 2.9845 | 2.00 | 4.17 |
| Service | 21 | 3.0635 | .34350 | .07496 | 2.9071 | 3.2198 | 2.50 | 3.67 |
| Others | 7 | 3.1190 | .31497 | .11905 | 2.8277 | 3.4103 | 2.83 | 3.50 |
| Total | 148 | 2.8836 | .34386 | .02827 | 2.8277 | 2.9394 | 2.00 | 4.17 |

Sources: Authors Compilation**H_{D4}:** The state of domicile of the customer has no differentiation on online customer satisfaction.**H_{D4A}:** The state of domicile of the customer has significant differentiation on online customer satisfaction.**Table-23: Descriptive**

| MEAN_CS | | | | | | | | |
|----------------|-----|--------|----------------|------------|----------------------------------|-------------|---------|---------|
| | N | Mean | Std. Deviation | Std. Error | 95% Confidence Interval for Mean | | Minimum | Maximum |
| | | | | | Lower Bound | Upper Bound | | |
| Madhya Pradesh | 76 | 2.8706 | .35024 | .04017 | 2.7906 | 2.9506 | 2.00 | 4.17 |
| Mumbai | 64 | 2.8766 | .32179 | .04022 | 2.7962 | 2.9569 | 2.17 | 3.60 |
| Others | 8 | 3.0625 | .44488 | .15729 | 2.6906 | 3.4344 | 2.33 | 3.67 |
| Total | 148 | 2.8836 | .34386 | .02827 | 2.8277 | 2.9394 | 2.00 | 4.17 |

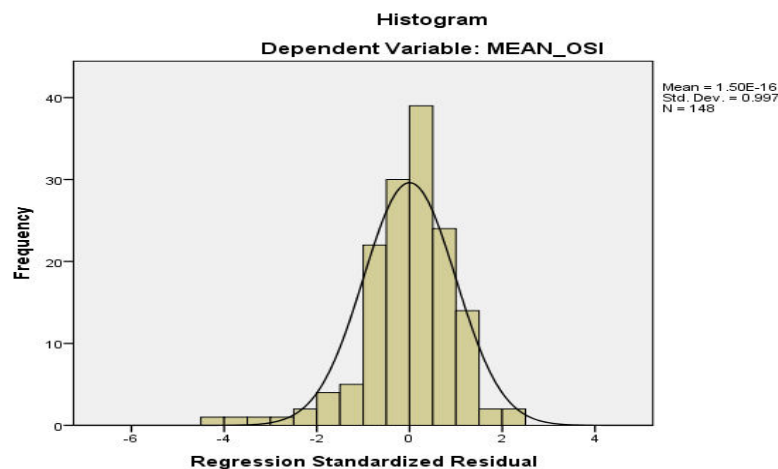
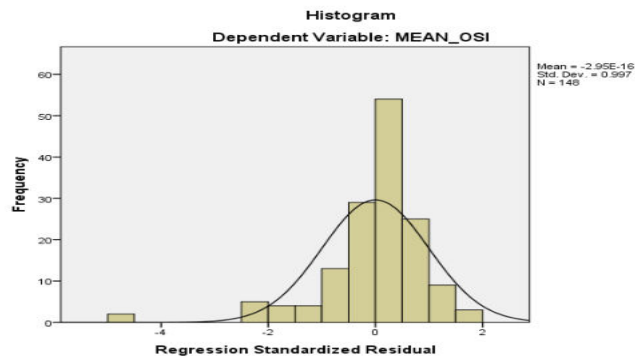
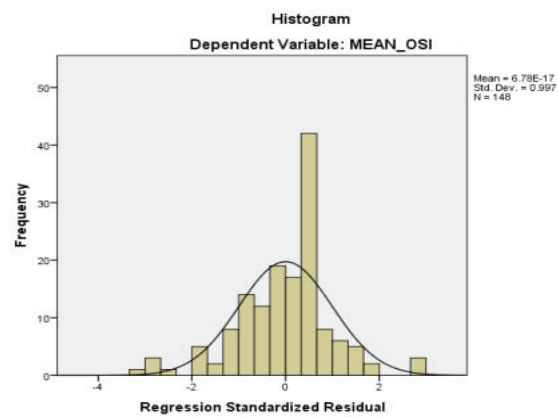
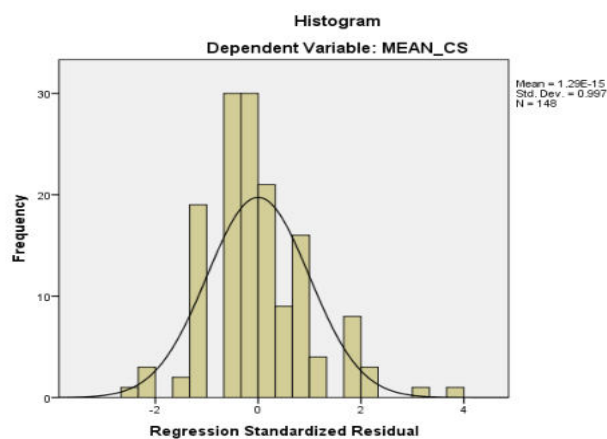
Sources: Authors Compilation**Regarding Hypothesis****H₀:** Perceived usability has no significant impact on intention to shop online.**H_{0A}:** Perceived usability has significant impact on intention to shop online.(Alternative Hypothesis)**Figure-3****Sources:** Authors Compilation**H₁:** Perceived ease of use has no significant impact on intention to shop online.**H_{1A}:** Perceived ease of use has significant impact on intention to shop online. (Alternative Hypothesis)

Figure-4

Sources: Authors Compilation

H₂: Perceived Enjoyment has no significant impact on intention to shop online.**H_{2A}:** Perceived Enjoyment has significant impact on intention to shop online. (Alternative Hypothesis)**Figure-5**

Sources: Authors Compilation

H₃: Intention to Shop Online has no significant impact on customer satisfaction.**H_{3A}:** Intention to Shop Online has significant impact on customer satisfaction. (Alternative Hypothesis)**Figure-6**

Sources: Authors Compilation

RESPONSIBLE AND PARTICIPATORY TOURISM MODEL: A CASE FROM KERALA **SARGALAYA 'THE ART AND CRAFT VILLAGE'**

Joseph PD.³⁸

ABSTRACT

Tourism is recognized as a major global industry today. It is a sizable and complex industry. In last 40 years, tourism has seen rapid and continuous growth. All governments mostly due to profit motives have seldom questioned the desirability of tourism. However, local communities due to some negative social and environmental impacts voiced their concern against it.

Tourism is one of the few sectors where Kerala has clear competitive advantage. Kerala is known for its successful tourism model that has turned tourism into a driver of economic growth, without compromising on ecological and inclusiveness concerns. Its tourism model has been hailed worldwide. One of the key contributors to Kerala's success has been in the development of tourism products instead of merely destinations. For example, Kerala is closely associated with three major products namely, Ayurveda, Backwater cruises and beach holidays and now it show cases Responsible and Participative Tourism. These have been supported by development of subsidiary tourism products such as eco-tourism, adventure and wildlife tourism.

The purpose of this article is to explain the concept of Responsible and Participative Tourism model and to examine how an untapped, unexplored and un-noticed place has been converted into a Responsible and Participative tourism destination. The place being considered here for the study is 'SARGALAYA'- the art and craft village at Iringal in the Calicut district of Kerala. The study depended mainly on secondary data and some information has been collected through field visits and observation.

KEYWORDS

Tourism, Responsible, Participative, Sargaalaya, Community etc.

INTRODUCTION

Tourism is recognized as a major global industry today. It is a sizable and complex industry. In last 40 years, tourism has seen rapid and continuous growth. The desirability of tourism has seldom been questioned by all governments mostly due to profit motives. However, local communities due to some negative social and environmental impacts voiced their concern against it.

There has been increased awareness of the importance of tourism worldwide. However, two aspects of tourism-its capacity to generate employment, both directly as well as indirectly, and its potential to earn hard international currency for the host country- have made this industry greatly desirable for all concerned such as government, planners, entrepreneurs and host people in particular. Therefore, tourism often considered one of the economic sectors, which have realistic potential for growth beyond the short term. The importance of this trend for employment is strengthened because of the relatively labour intensive nature of the tourism and limited substitution of capital in the production of tourism services.

According to the World Travel & Tourism Council (WTTC, 2008), world travel and tourism generated close to US\$8 trillion in 2008, expecting to rise to approximately US\$15 trillion over the next ten years. Furthermore, the world travel and tourism (T&T) industry generates 9% of global GDP and employs as many as 220 million people worldwide (WTTC, 2009a). Given the significant deterioration in Travel & Tourism activity through the second half of 2008 and the bleak macroeconomic forecast for 2009, most likely the industry will grow in lower scales that predicted in previous years. Nevertheless, the industry is expected to keep its leading role in driving global growth, creating jobs and alleviating poverty. Overall, it is forecasted that T&T industry will grow by 4% *per annum* over the next ten years. By 2019, it will account for 275 million jobs, representing 8.4% of total employment across the world (WTTC, 2009b).

The phenomenal growth in tourism during the past years mainly due to industrial revolution emitting great factory towns responsible for the change in the economic and social system and spread of education worldwide led to a natural curiosity among the people.

Tourism needs variety and India with its vast dimensions and kaleidoscopic diversity offers to every class of visitors something not found elsewhere from the snake charm to the eternal snow-capped peaks of Himalayas and system of the folk dances to the big game hills. Unlike other big industries there is comparatively little investment needed for promoting tourism the scope its expansion is unlimited and fortunately, this potential industry started receiving some focus now.

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Tourism industry in India is on a great boom now. India has tremendous potential to become a major global tourist destination and Indian tourism industry is exploiting this potential to the hilt. Travel and tourism industry is the second highest foreign exchange earner for India. Tourism industry also provides employment to millions of people in India both directly and indirectly through its linkage with other sectors of the economy. According to an estimate, total direct employment in the tourism sector is around 20 million.

The state of Kerala is one of the most popular tourism destinations in India. The state, promoted as “God’s own country”, has various tourism assets such as beaches, hill stations, backwaters, national parks and wildlife sanctuaries. However, the key to tourism success has been its sustained marketing efforts and creation of new tourism products. As a result, Kerala has become a model for planned tourism development to other Indian states. For example National Geographic Traveler selected Kerala as one of the „50 must see destinations of a lifetime“.

The success of tourism marketing in Kerala can be attributed to a combination of factors: Clear identification and positioning of the tourism product & differentiating from other Indian states developing a basket of tourism activities, close coordination between the state agencies and private sector for tourism marketing, aggressive promotion & brand building to the target audience, development of best practices and models for tourism development, introducing regulation and quality certification for tourism products.

Tourism is one of the few sectors where Kerala has clear competitive advantage. Kerala is known for its successful tourism model that has turned tourism into a driver of economic growth, without compromising on ecological and inclusiveness concerns. Its tourism model has been hailed worldwide. One of the key contributors to Kerala’s success has been in the development of tourism products instead of merely destinations. For example, Kerala is closely associated with three major products namely, Ayurveda, Backwater cruises and beach holidays and now it show cases Responsible and Participative Tourism. These have been supported by development of subsidiary tourism products such as eco-tourism, adventure and wildlife tourism.

The purpose of this article is to explain the concept of Responsible and Participative Tourism model and to examine how an untapped, unexplored and unnoticed place has been converted into a Responsible and Participative tourism destination. The place being considered here for the study is ‘SARGALAYA’- the art and craft village at Iringal in the Calicut district of Kerala. The study depended mainly on secondary data and some information has been collected through field visits and observation.

RESPONSIBLE TOURISM

Responsible tourism is a new concept in the tourism industry. Jost Krippendorf developed this concept in the 1980's. His aim was to "to develop and promote new forms of tourism, which will bring the greatest possible benefit to all the participants - travelers, the host population and the tourist business, without causing intolerable ecological and social damage."

Responsible Tourism Reporting is a new initiative offering a flexible and 100% customizable independent verification scheme. It encourages small businesses to measure themselves against their own goals and publicly report their annual achievements. The scheme gives each business the opportunity to explain and justify their choices, setting the standards and the priorities for what is important for their business and the communities where they operate.

According to Responsible Tourism Development Fund “Responsible Tourism is tourism ‘that creates better places for people to live in, and better places to visit’. The 2002 Cape Town Declaration on Responsible Tourism in Destinations defines Responsible Tourism as follows:

Responsible Tourism:

- Minimizes negative economic, environmental and social impacts;
- Generates greater economic benefits for local people and enhances the wellbeing of host communities;
- Improves working conditions and access to the industry;
- Involves local people in decisions that affect their lives and life chances;
- Makes positive contributions to the conservation of natural and cultural heritage embracing diversity;
- Provides more enjoyable experiences for tourists through more meaningful connections with local people, and a greater understanding of local cultural, social and environmental issues;
- Provides access for physically challenged people;
- Is culturally sensitive, encourages respect between tourists and hosts, and builds local pride and confidence.

The distinguishing characteristic of the approach is the focus on the responsibility of role-players in the tourism sector, and destinations in general, to take action to achieve sustainable tourism development. Increasing numbers of consumers are looking at the reputation and responsibility of the companies they buy from; they want to have “guilt free” holidays. This affects their direct purchases from companies in tourism destinations and it influences the choices of source market companies too”.

PARTICIPATIVE TOURISM

Participative tourism is community based tourism development, which is a part of responsible tourism. One of the integral components of responsible tourism is seeking the participation of local community in the development of tourism destination. Their role and benefits should be discussed, defined and included in the master plan of a tourism project.

Local communities have a key role in tourism development as they are crucial in providing a good environmental condition for tourists. Local communities are a basic element of modern tourism development. They are the focal point for the supply of accommodation, catering, information, transport, facilities and services for tourism development (Godfrey & Clarke, 2000).

There is a wide range of perspectives that can be taken on local communities in the context of tourism development. Local communities may be considered as the main attractions to community skill and knowledge while for others the community is simply the setting where tourism occurs. And for others still, a community may, in fact, stand in the way of other potential tourism development. (Godfrey & Clarke, 2000). Local communities are increasingly being drawn into tourism not only from the demand side, as tourists actively seek out new destinations and communities to experience, but also from the supply side, as communities are becoming aware of the potential of the products they can offer to tourists and the economic gains that can be made.

Today, many development initiatives solicit the participation of all concerned Stakeholders, at the relevant level, not only for the sake of efficiency and equity of the programmes, leverage of donors and demands of local communities, but also for sustainability of these initiatives (Ribot, 2004). Consequently, the real outcome for soliciting such community participation is to create and produce an enabling environment needed by these stakeholders, especially local communities who have been vulnerable to negative impacts of tourism attributed partly to the fact that many tourism resources occur in their areas, to have a real stake in development activities (Muganda Michael (2009). This requires involving local communities in decision-making and strengthening their ability to act for themselves. One approach to achieve this is “through investments in human capital, such as education and health, investments in social capital such as local-level institutions and participatory processes, and support for community based development efforts planned and implemented from bottom up” (Havel, 1996, p.145).

SARGALAYA THE ART AND CRAFT VILLAGE AT IRINGAL

Sargaalaya, the Kerala Arts & Crafts village in Kerala is an initiative by the Department of Tourism, Government of Kerala. The very purpose of ‘SARGALAYA’- the art and craft village at Iringal in the Calicut district of Kerala is to bring all the rich & varied crafts traditions of Kerala under one roof. The Village is a craft cluster that was conceptualized as a tourism destination, developed and implemented on the Responsible and Participatory Tourism model. It is an initiative to put Kerala's traditional handicrafts on the tourism trail. Experience, enjoy & purchase authentic Crafts & Arts! Get inspired & thrilled with authentic Kerala Craft traditions & Art Forms like Kalari, Theyyam, and Yoga etc.

‘Sargaalaya’ focuses on creating a tourist destination, centered on hands-on interaction between tourists and artisans, who create, display and market their crafts on site. The strategy being, to make Kerala's traditional crafts an integral part of the tourism experience while also providing sustainable development for the artisans economically.

Put up on a sprawling 20-acre land on the shores of the Moorad River at Iringal in Calicut, the craft village has 60 stalls housed in beautiful cottages that are environment-friendly and ethnic in design. The management of the village is vested in the hands of the Uralungal Labour Contract Cooperative Society (ULCCS).

‘Sargaalaya’- the art & craft village at Iringal is designed as an initiative to put Kerala's traditional arts & crafts on the tourism trail. The craft village is set up on 20 acres of land on the banks of the Moorad River, just 200 meters off Calicut – Kannur National Highway near Vadakara. The craft village has 27 cottages where, a hundred or even more artisans can work. Apart from showcasing crafts & craftsmen from across Kerala, Sargaalaya has a Crafts Design & Technology development center that provides training for craftsmen on the latest techniques of production & encourages innovation in the traditional system.

‘Sargaalaya’- Kerala Arts & Crafts Village at Iringal is India's Unique Handicraft Village. To experience traditional Kerala crafts, will interact with Artisans inside the village and can experience about the making of each Craft items. After the visit to craft units will enjoy boating through Moorad River enjoying the picturesque spots at Moorad and to Sand Banks beach which is a very beautiful picnic spot. After lunch shopping in Handicrafts Emporium of the Craft village

Combining the streams of art and business, the village throws up a comprehensive platform for exhibition, sales and craft making. The uniqueness of the craft village is that it is the only place where a tourist can witness and learn in person the nuances of crafts-making and skills of the traditional artisans of Kerala. You surely would not miss a chance like this, especially if you have a great passion for art and craft. You can also carry these fascinating crafts as a souvenir to your home at a reasonable price. And if you are into craft business you can establish longstanding business relations with the artisans of Kerala. Being set up by the Department of Tourism, the venture ensures brand protection to foreign entrepreneurs and local artisans.

The wide range of products displayed here is crafted with different raw materials ranging from less expensive natural options to modern alloys. There are artifices designed with banana fibber, coir, bamboo, sand, coconut shells, husk, palm leaves, coconut leaves and screw pine. The Crafts Design and Technology development center at Sargaalaya provides training for craftsmen on the latest techniques of production and encourages innovation in the traditional system.

'Sargaalaya' is a tourism initiative where the essence of responsible tourism and participative tourism has been equally blended. Most of the employees of this village belong to the local community and they are the main beneficiaries of this project. At the same time, it is a platform where cultural heritage of the state and region is reproduced, protected and handed over to the coming generation. Tourists, not only they enjoy the creativity and skills of varied artisans but also they get a chance to learn different skills depending on their interest. Environmental and ecological values have been protected in the establishment and functioning of this tourism endeavor. Since 'Sargaalaya' has been managed by a people's c-operative society, local community representatives are the integral part in the decision making process. When all the above factors are linked one can easily understand that 'Sargaalaya' is a true example for Responsible and Participative Tourism model.

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ATTITUDE AND BEHAVIOURAL ANALYSIS OF CONSUMERS TOWARDS GREEN MARKETING: A CASE STUDY OF BENGALURU

Manjunatha K. M.³⁹

ABSTRACT

Across the globe, it is becoming a common phenomenon to “go green”. Business firms too are joining the environment movement by practicing green marketing strategies. The green volunteers are popularizing the gospel of environmentalism and organizers in this area are stressing the need for protecting the “Mother earth”. Green consumerism is playing an instrumental role in ushering corporate environmentalism and making business firms green marketing oriented. This paper through a well-structured questionnaire makes an evaluation of the extent of awareness, attitude and behaviour towards environmentalism at Bengaluru. The study finds that Bengaluru the fastest growing city in Asia is going to be the market center for green products. The functions of green marketing much depend upon avoiding green marketing myopia. There is a need to apply good marketing principles to make green products desirable for consumers.

KEYWORDS

Green Marketing, Cost of Environment, Liking of Environment, Consumerism etc.

INTRODUCTION

Green Marketing is becoming a popular term, gaining momentum, and attracting everybody's attention. Consumers are aware of environmental products and often they use green marketing terms to exhibit their associative-ness in this field. Now-a-days it is seen that across the globe consumers demanding more and more green products without caring their prices which are higher than non-green products. The terms “green product” and “environmental products” are used in an interchangeable way to cannot enhancing the natural environment by conserving energy or resources and reducing or eliminating use of toxic agents, population and agents (Ottoman 1997)¹ The present trends of ever escalating crude oil bill, increasing every prices and foreign dependency are sufficiently exploring and attracting global entrepreneurs to manufacture energy efficient products. The term cleantech innovated by Friedman 2006² is becoming popular since it covers issues like clean energy, environmentally sensitive innovates and products.

The global customers have started demanding eco-friendly products and therefore many of the firms have started producing green products and started practicing green marketing. Plethora of novel green products are available in the market which are liked by customers irrespective high cost and they opt because green products deliver convenience, lower operating costs, better performance. Some green marketers stayed in the business others left since they cannot win the competitive world. Government of India yielding to the environmental lobbies has enacted a number of legislations to combat pollution and preserve natural resources. However, the movement has become a government-sponsored programme and hence industrial and individual consumers combined effort is needed in order to spread the gospel of environment and eco-friendly practice.

Green Marketing Defined

Green marketing also alternatively known as environmental marketing, sustainable marketing (Coddington 1993)³, sustainable marketing, ecological marketing (price and Ferral 1993)⁴, refers to organization efforts at designing promoting, pricing and distributing products that will not harm the environment. Polonsky (1994)⁵ defines green marketing as “all activities designed to generate and facilitate any exchanges intended to satisfy human needs and wants occurs, with minimal detrimental impact on the natural environment.” In simple green marketing simply to all steps undertaken to provide credible, valuable and less harm green products.

Green Marketing Myopia Designed

Green marketing must satisfy two objectives. They are improved environmental quality and customer satisfaction. Misjudging either or over emphasizing the earlier at the cost of the latter is called as “green marketing myopia” as described by Theodore Levit.⁶ Research reveals that many green products failed because of green marketing fails to provide credible, sustainable environmental benefits.

REVIEW OF LITERATURE

Corporate sector looks consumers who are emerged as a force giving priority interest over corporate environmentalism and therefore, they have become focal point of marketing research. Consumer's environmental awareness, attitudes and behaviour has been examined in the past. Research studies in this area covers consumers awareness, perceived importance of environment,

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importance of being environmental friendly, perceived consumer effectiveness, willingness to pay more for environmental less harmful products. Several studies like Alley P. Ferrad 1999⁷, Gamba and Oskamp 1994⁸, Arbuthnot 1977⁹, Sriram et al., 1995¹⁰, focused on pro-environmental behaviour indicate that consumers are integrating their concern for the environment into their environmental behaviour.

Studies undertaken previously in this area of consumer environmental awareness and attitude extend across environmental awareness to analyzing perceived importance of environment, environment friendly, and willingness to pay more for environmental products. Research's like Grunet and Kristensen 1994¹¹, Zyons and Breakwell 1994¹², Moore 1998¹³, Ostman and Parker 1987¹⁴, Van Liere and Dunlop 1998¹⁵.

RESEARCH METHODOLOGY

The present study is an explorative in nature. 300 respondent samples were selected using judgment sampling method. A well-drafted questionnaire was administered for the purpose of data collection. Initially questionnaire was pretested for the purpose of accuracy and in the light of shortfall in the initial questionnaire, the final questionnaire was amended. The data collection commenced on Dec 15th 2013 and ended on Jan 15th 2014. The data obtained from questionnaire was processed and necessary analytical were applied to present the same for analysis. The study is confined only to Bengaluru. Chi-square and ANOVA tests are conducted to test and process the collected data.

OBJECTIVES OF STUDY

The major objective of the present study is to know the consumer behaviour and attitude towards green marketing. The secondary objectives to understand the awareness of green marketing and its effects, and to know personal environment awareness and concern.

Hypotheses of Study

- The Bengaluru consumer's do not have a positive attitude and behaviour towards green marketing.
- Bengaluru consumer does not buy green products since green marketing includes beliefs that require sacrifices, inconvenience, higher costs, and lower performance.
- The green products do not work well as non-green products.
- Green marketing do not offer desired five consumer benefits, (a) Efficiency, (b) Health a safety, (c) performance, (d) symbolism and status, (e) convenience.

LIMITATIONS OF STUDY

As a caveat, it is better to mention some of the limitations of this study commenced with an objective of understanding Bengaluru the "global customers." A small sample is taken up for the study here and that too Bengaluru concentrating are not generalizable to the entire country. Any generalization attempts need further in-depth research. Such research may take large sample to arrive at valid and reliable conclusions. Further, due to the constraints of time and money a few environmental issues have been taken, a study is made, and survey findings are listed. The multi item scale study about personal environmental concern have not turned out to be statistically reliable and scaling needs further refinement and testing.

SURVEY FINDINGS

Demographic Findings

The gender analysis in Table-5 reveals that 160 respondents or 53% are males and the remaining 140 respondents are females. Females accounted for 47% of the survey. Age wise data reveals that 250 respondents belongs to the age group of 30-50 years and only 10 respondents belongs to the age group of above 50 years. The major portion of respondents 1270 or 57% belongs to age group of 30-40 and "youngster group." Majority i.e., 140 respondents or 47% are graduates, 80 studied upto X std. and 76 belongs to post graduation and data reveals that all are educated. Bengaluru is a cosmopolitan city and global hub of software and popularly nicknamed as "silicon valley of India and Pandit Jawaharalal Nehru long back said that Bengaluru is a "happening city". The income of the persons varies from 20000 below to 60000 above. Data reveals that the income of Bengaluru consumers is not similar and different depending upon the qualification and responsibilities undertaken.

The study covered 92 respondents or 31% of the total, whose income range is Rs. 40,000 - 50,000. 68 respondents income is in between Rs. 30,000 - 40,000. There are 22 respondents whose income ranges above Rs. 60,000. The Chi-square analysis shows that Bengaluru consumers income varies and sufficient to buy the green products since Bengaluru consumers have already shown their interest in buying environment products irrespective of cost. The occupation details support the monthly income of the customers. There are 110 or 37% respondent's government employees, 76 engaged in private sector, 65 housewives, 24 students who are income less, and interestingly 25 self-employed persons. The Chi-square analysis reveals that occupation of sample respondents varies.

Hypotheses

| | |
|--|--------|
| H ₀ : The income and occupation of the Bengaluru consumer is similar | Reject |
| H ₁ : The income and occupation of the Bengaluru consumer is not similar but varied is not similar but varied | Accept |

Table-1: Chi-square

| | | |
|--------------------|--------|------------|
| Calculated value: | Income | Occupation |
| | 73.28 | 88.3664 |
| d.f. | 5 | 4 |
| T.V. | 11.070 | 9.488 |
| Significance level | 5% | 5% |

Sources: Authors Compilation

Chi-square Analysis

The calculated value being 73.28 in case of income and 88.3664 in case of occupation greater than the TV and at d.f. = 5 and 4 rejects the null hypotheses and accepts the alternative. Therefore, one may conclude that Bengaluru consumers income and occupation varies and not uniform.

Green Products v/s. Non Green Products

Table-6 highlights the data about consumer's preference over green products and non-green products out of 76 respondents who expressed that non-green products are lower in prices, 22 respondents said highly yes and 20 yes. The respondents 40 did not agree and differed. 32 respondents viewed at present in Bangalore non-green products are not easily available and 22 said that then are easily available. This trend is growing since big super bazaars and malls are opened in Bengaluru. The income of Bengaluru consumers is not coming in the way of buying green products. 32 respondents denied low income barrier and 32 respondents equally opined that low income may be a barrier to buy green products. 56 respondents have clearly expressed that benefits derived from environmental products are not popularized and 14 respondents clearly denied that non-green products are not healthy. The ANOVA test conducted also rejects the null hypotheses and accepts the alternative and therefore it is concluded here that Bengaluru consumer prefer green products, which are better than non-green.

Hypotheses

| | | |
|------------------|---|--------|
| H ₀ : | Non-green products are better than Green Products | Reject |
| H ₁ : | Non-green products are not better than green products | Accept |

Table-2: Anova

| Source of variation | SS | d.f. | MS | F-ratio | 5% F-limit (From the F-table) |
|---------------------|--------|-------------|---------|----------|----------------------------------|
| Between Sample | 721.6 | (5-1)=4 | 721.6/4 | 180.4/22 | F(4,20) |
| Within Sample | 440 | (25-5) = 20 | 440/20 | 8.2 | 2.87 |
| Total | 1161.6 | 25.1 = 24 | | | |

Anova Analysis

The above table shows that the calculated value of F is 8.2, which is greater than the TV 2.87 and therefore rejects the null hypotheses and accepts the alternative H₁. Therefore, we may conclude that Bengaluru consumers give preference to green products since green products are better than non-green products.

Green Marketing and Designed Consumer Benefit

Table-7 highlights about green marketing and desired consumer benefits. Efficiency and effectiveness refers to green products. Efficient and effective green products are economically beneficial, bring long-term savings, and have convinced cost consciousness consumers to buy. Out of 69 who have, expressed green products are efficient and effective nearly 56 said highly yes and yes and only, a negligent number of consumers 09 have neglected in concept. Environmental products are designed to minimize or eliminate the use of toxic agents and adulterating process. Sales of organic foods are on the rise in the light of public fear of 'cow disease', anti-biotic-laced meats, mercury in fish and genetically improvised foods. 53 respondents expressed that they need healthy and safety green products.

Table-3: Anova

| Source of variation | SS | d.f. | MS | F-ratio | 5% F-limit (From the F-table) |
|---------------------|---------|-------------|----------|---------------|----------------------------------|
| Between Sample | 4534.8 | (5-1)=4 | 45348/4 | 1133.7/12.244 | F(4,20) |
| Within Sample | 244.88 | (25-5)=20 | 24488/20 | 92.592 | 2.87 |
| Total | 4779.68 | (25-1) = 24 | | | |

Hypotheses

| | | |
|------------------|---|--------|
| H ₀ : | Green marketing do not bring desired benefits | Reject |
| H ₁ : | Green marketing brings desired benefits | Accept |

ANOVA Analysis

The above table shows that the calculated value of F is 92.592 which is greater than the table value of 2.87 at 5% level of significance with d.f. being V1 = 4, V2 = 20 and rejects the null hypotheses and alternative is accepted. Therefore we may conclude green marketing brings desired benefits.

Green Marketing and Existing Beliefs

Table-8 reveals Bengaluru consumers existing belief over green marketing. Out of 82 respondents belonging to ready to sacrifice category, respondents are highly ready to sacrifice, 12 are ready to sacrifice, and only 08 respondents are not ready to sacrifice. The second existing belief inconvenience is also measured and presented. That out of 35 respondents who expressed inconvenience 26 expressed highly yes and yes. 7 respondents viewed that green products are not inconvenient. The third belief is related to high cost. Out of 73 who were asked to express their opinion nearly 61 said that green products are costly 10 said that green products are not costly. Surprisingly that 45 respondent is expressed about the fourth belief lower performance as highly yes and yes. Finally out of 61 respondents who expressed about the fifth belief that 56 viewed as highly yes and yes. The ANOVA table analysis reveals that it clearly rejects the null hypotheses and accepts the alternative. Therefore, the table concludes that there exist different beliefs on green marketing.

Hypotheses

| | | |
|------------------|---|--------|
| H ₀ : | There are no beliefs existing | Reject |
| H ₁ : | There exists different beliefs on green marketing | Accept |

Table-4: Anova

| Source of variation | SS | d.f. | MS | F-ratio | 5% F-limit (From the F-table) |
|---------------------|--------|-------------|----------------------|---------|----------------------------------|
| Between Sample | 4281.6 | (5-1)=4 | 4281.6141070.4/65.42 | | F(4,20) |
| Within Sample | 1308.4 | (25-5) = 20 | 1308.4/20 | 16.36 | |
| Total | 5590 | 25-1 = 24 | | | |

Anova Analyses

The above Table shows that the calculated value of F is 16.36, which is greater than table value 2.87 and therefore rejects null hypotheses. Therefore, one may conclude that there exist different beliefs on green marketing worth to consider.

Personal Environment Awareness and Concern

Table-9 reveals clearly that 93 respondents that they know environmental issue clearly and awareness of law in India. 58 respondents or 10% disagreed and viewed that either environmental issues or legislation in India are unknown to them. 17 remained neutral and 170 respondents combined agreed that they know issues of environment and low relating to pollution. Finally a great majority combined 262 or 44% combined know fully all related environmental issues and law relating to pollution. Further, the study also attempted to understand influence of advertisement on environmental issues like waste paper recycling, water conservation, petrol conservation, electricity conservation.

The analysis reveals that 210 respondents influenced by advertisement as far as waste paper recycling is concerned, 288 water conservation 250 petrol conservation the highest opinion, 245 electricity conservation. Further, the table also provides information about seeking environmental products and preserving the environment the "Mother Earth". 240 respondents expressed that they buy only eco-products and 253 respondents or 84% are ready to protect the environment.

At the time of data collection, some of the opinions expressed were interesting. Some are going green and spread the gospel of environmental benefits. They do it by conducting and educating the school and college students, organizing public awareness programmes and visiting rural areas and educating environment importance and the need to preserve. Different organizations in Bengaluru are rendering their voluntary valuable services in this regard deserves highest appreciation.

CONCLUSION

This paper started with an object of measuring the in-depth knowledge of Bengaluru global customers where in the living styles, high monthly income, techno savvy respondents, are severely undergoing a change. Indeed the Bengaluru consumers are more concerned about protecting the mother earth but unfortunately the governmental support and Bruhath Bengaluru Mahanagara Palike is not to the expected extent.

At present Bengaluru No. 1 concern is waste disposal management and often authorities are finding difficult for the garbage dumping. It is a fact that environmentalism and green marketing and environmental and green marketing movement rotate on the consumer's attitude coupled with industrialist's attitude. There is a greater need now to take up these issues seriously in order to preserve to environment so that futurist may also avail the benefits.

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Annexure

Table-5: Consumer Profile

Demographic Variables (N = 300)

| | | Number of Respondents | Percentage |
|--------------------------------|-----------------|-----------------------|------------|
| Gender | Males | 160 | 53.00 |
| | Female | 140 | 47.00 |
| | Total | 300 | 100.00 |
| | | | |
| Age (in year) | Below 20 | 15 | 5 |
| | 20 - 30 | 25 | 8 |
| | 30 - 40 | 170 | 57 |
| | 40 - 50 | 80 | 27 |
| | 50 & above | 10 | 3 |
| | Total | 300 | 100 |
| | | | |
| Education | Secondary Level | 80 | 27.00 |
| | Graduate | 140 | 47.00 |
| | Post Graduate | 76 | 25.00 |
| | Any other | 04 | 1.00 |
| | Total | 300 | 100.00 |
| | | | |
| Monthly Income (in Rs.) | Below 20,000 | 22 | 7.00 |
| | 20,000 - 30,000 | 48 | 16.00 |
| | 30,000 - 40,000 | 68 | 23.00 |
| | 40,000 - 50,000 | 92 | 31.00 |
| | 50,000 - 60,000 | 48 | 16.00 |
| | 60,000 & above | 22 | 07.00 |
| | Total | 300.00 | 100.00 |
| | | | |
| Occupation | Student | 24 | 8.00 |
| | Housewife | 65 | 22.00 |
| | Self employed | 25 | 8.00 |
| | Govt. Service | 110 | 37.00 |
| | Private Service | 76 | 25.00 |
| | Total | 300 | 100.00 |
| | | | |

Sources: Primary Data

Table-6: Green Product v/s. Non-Green Products

| Decisive Factors | H.Y. | Y | N | No | Highly No | Total |
|---|------|----|----|----|-----------|-------|
| Non Green products are lower prices | 22 | 20 | 4 | 12 | 18 | 76 |
| Non-Green products are easily available | 18 | 04 | 3 | 13 | 19 | 57 |
| Low income and therefore prefers non-green products | 24 | 08 | 5 | 12 | 20 | 69 |
| Benefits of green marketing not popularized | 30 | 26 | 4 | 4 | 12 | 76 |
| Non Green one healthy | 04 | 02 | 2 | 7 | 7 | 22 |
| Total | 98 | 60 | 18 | 48 | 76 | 30.00 |

Sources: Primary data**Note:** HY= Highly Yes, Y=Yes, N= Neutral, No=No, Highly No = Highly No**Table-7: Green marketing Desired Consumer Benefits**

| Benefits | H.O | O | N | N.o. | H.No | Total |
|----------------------------|-----|----|----|------|------|-------|
| Efficiency & Effectiveness | 44 | 12 | 4 | 3 | 6 | 69 |
| Health & Safety | 45 | 8 | 3 | 2 | 5 | 63 |
| Performance | 48 | 11 | 2 | 1 | 3 | 65 |
| Symbolism & Status | 35 | 14 | 4 | 3 | 5 | 61 |
| Convenience | 18 | 16 | 2 | 3 | 3 | 42 |
| Total | 190 | 61 | 15 | 12 | 22 | 300 |

Sources: Primary data**Note:** H.O= History offers, O= Offers, N= Neutral, No. = Not offers, H. No. = Highly not offers**Table-8: Green Marketing Beliefs Existing**

| Deciding Factor | H.Y. | Y | N | No | H.No | Total |
|---|------|----|---|----|------|-------|
| Ready to sacrifice | 60 | 12 | 2 | 06 | 2 | 82 |
| It is inconvenience | 13 | 13 | 2 | 04 | 3 | 35 |
| High cost | 40 | 21 | 2 | 08 | 2 | 73 |
| Lower performance | 35 | 10 | 1 | 01 | 2 | 49 |
| Easy availability of Non-green products | 32 | 24 | 1 | 01 | 3 | 61 |
| Total | 180 | 80 | 8 | 20 | 12 | 300 |

Sources: Primary Data**Note:** HY = Highly Yes, Y=Yes, N=Neutral, No=No, H.No=Highly No**Table-9: Personal Environment Awareness and Concern**

| Variable | A | B | C | D | E | Total |
|--|----|----|----|----|-----|-------|
| A. Personal Environment Awareness | | | | | | |
| 1. I am fully aware of Environment problems | 51 | 30 | 9 | 90 | 120 | 300 |
| 2. I am fully aware of low to regulate or minimize pollution. | 42 | 28 | 8 | 80 | 142 | 300 |
| B. Influence on Green promotion and willingness to buy green products | | | | | | |
| 1. Influence by Advertisements promoting waste paper recycling | 38 | 42 | 10 | 80 | 130 | 300 |
| 2. Influence by Advertisements promoting water conservation | 37 | 30 | 05 | 88 | 140 | 300 |
| 3. Influence by advertisements promoting petrol conservation | 22 | 25 | 03 | 80 | 170 | 300 |
| 4. Influence by Advertisement promoting electric conservation | 30 | 22 | 03 | 85 | 160 | 300 |
| 5. If available, I would seek environmentally certified products | 35 | 20 | 05 | 60 | 180 | 300 |
| 6. Doing a little to preserve the environment | 23 | 22 | 02 | 33 | 220 | 300 |

Sources: Primary data**Note:** A= Strongly Disagree, B = Disagree, C= Indifferent, D = Agree, E = Strongly Agree

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CONSUMER BEHAVIOUR TOWARDS COSMETICS: A CASE STUDY WITH REFERENCE TO BENGALURU

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ABSTRACT

The colorful cosmetic retail marketing is revealing high potentiality existence in Bengaluru at present and attracting local and global players to manufacture the required cosmetics. Bengaluru is a fastest growing city in Asia and attracting all and is becoming home of many cultures and religions. Living styles of Bengaluru is undergoing a sea of change and mode of living of citizens of Bengaluru is ever-changing. It is said that during the times of Harappa and Mohenjodaro and during Gupta dynasty women use to bundle their hairs and tied aromatically. Hence the 'beauty appreciation' dated back to the previous times. There exists a severe competition between local and global players as far as marketing of cosmetic products. Makers of cosmetic products must look with existing consumer behaviour, which is highly volatile at Bengaluru. A thorough understanding of consumer's motivation, buyer behaviour often means the difference of stay in the business or loose business. In this highly competitive environment, the retail manager has to collect useful information about usage pattern to prepare a workable strategy. In the light of these facts, the present study is an attempt to understand consumer behaviour and other various factors influencing cosmetic usage.

KEYWORDS

Cosmetics, Consumer Behaviour, Competition, Global Brands, Local Brands etc.

INTRODUCTION

Since time immemorial, people have tried to be different to that of others through using different oils, fragrances and hair bundling. From Egypt to Greece, France and Roman cosmetics have been part of the daily life¹. High usage of cosmetics is associated with only women across the globe and can say that the birth of cosmetics industry coincided with the birth of women. The people to exhibit their social high orderliness and possessing apply cosmetics and using cosmetics is a social prestige to somebody. Across the globe people have appreciated the female beauty and now-a-days a wide spread of beauty has been carried out to the people through television, cinema, magazine and internet.

At present there exists different variety aromatic cosmetics when compare to previous days. The choice of aromatics was very limited previously. The need of using cosmetics rose because of dual role played by men and women inside and outside the home. People love beauty and the growth of beauty industry in modern days has led to use of cosmetics now-a-days. Cosmetic industry is evergreen industry and some people in the society use cosmetics just to show their possession of wealth.

CONSUMER BEHAVIOUR

It is the study of consumers buying when, where and what. It is most important in developing competitive advertisement campaigns. A number of inducers influence consumers before making a final purchase. Consumer behaviour analysis attempts to understand the buyer decision-making process, both individuals and in groups. Wikipedia defines consumer behaviour, as "consumers are individuals or households that consume goods and services generated with the economy". The "desire and deserve" are matched many a times while buying a specified budget oriented purchase.

Ramachandra Azhagaiah and Eganathan Ezhilarsi (2012)² defined consumer behaviour as "the decision making process and physical activity individual engage in when evaluating, acquiring, using or disposing off goods and services. Consumer buying behaviour is all psychological, social and physical behaviour of potential consumers, as they became aware to evaluate purchase, and tell other people products and services". Thus, consumer behaviour influences by the psychological, social and physical behaviour of existing and potential customers.

PRESENT STUDY

The usage of cosmetics and acceptance of different brands influenced by the family and society and thus factors influencing cosmetics usage are depending consumer behaviour. Bengaluru is undergoing a sea of change in the living styles, income, ready to spend personal income, liking of branded global products. It is not an easy task to measure consumer behaviour at Bengaluru. Bengaluru is one of the fastest growing cities in Asia and different people are co-living at present in Bengaluru who are hailed from nook and corner of the globe. Since cosmetics are of personal products in nature, there is a greater need to get the knowledge of how manufacturer can operate in uncertainty atmosphere and there is a great difficult in satisfying consumers various factors.

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REVIEW OF LITERATURE

Nilofer (2004)³, in a study titled, “A study on the effect of personality on advertisement and consumer behaviour of working and non-working women” concluded that personality dimensions affect the advertisement preference to consumer behaviour of women of different age groups.

Vellaichamy and Kruthika, (2010)⁴ in their study consumer behaviour towards Maruthi Cars in Coimbatore stated that consumer behaviour is influenced by factors such as culture, family, reference groups, age and life style, personality and self-concept, motivation, perception, learning beliefs and attitudes.

Naidu, B.V.K. (2007)⁵, in his study entitled “Buyers Perception Towards Prawn Feed: A study in West Godavari District, Andhra Pradesh” found that as per their income, farmers are changing brands of feed from time to time, and concluded that the farmers do not have a specific preference towards a particular brand of feed.

Jesu Kulandairaj (2012)⁶, in his study “post purchase behaviour of consumer - A study” stated that innovative features, service viability and dealer service are the key factors inducing customers to buy a car.

Strebel J.K. O' Donnell, and J. G. Myers (2004)⁷, in their study entitled “exploring the connection between frustration and consumer choice behaviour in a dynamic environment” proposes that the probability of making a decision is significantly lower when consumers are frustrated with the pace of technological change.

OBJECTIVES OF STUDY

- To study the influence of demographic variables like age, occupation, income etc., on consumer preference for cosmetics.
- To study the attitude of consumers towards use of cosmetics.

Hypotheses of Study

In order to understand the behaviour of consumers regarding cosmetic, the following hypotheses were formulated:

- Age does not influence the reasons for use of cosmetics.
- Occupation do not influence on the frequency of using cosmetics.
- Family income influences the buying and use of cosmetics.

RESEARCH METHODOLOGY

The present study is an explorative in nature. For the present study, Bengaluru a “global beauty center” was purposively selected. A well-structured questionnaire was administered as schedule to ensure greater response. Different big bazaars malls, small bazaars across Bengaluru have been selected by using judgment-sampling technique and directly the consumers who visit malls, bazaars, hypermarkets are questioned with a request to provide answer. They gave the responses out of their memory and memory may be subjected to memory loss. The data collection started on 10th January 2014 and ended on 30th January 2014. A pilot study also conducted in order to eliminate any unnecessary question in the questionnaire. In the light of experience derived in pilot study, the final questionnaire was reframed. The data is presented in the tables and data interpreted by using chi-square and ANOVA tests and valid conclusions are drawn.

SURVEY FINDINGS

Age is an important decisive factor in buying cosmetics. Respondents change the use of cosmetics as they grow up. A cosmetic may be more popular among the middle age than the old age or may be more popular amongst youngster than the other. Table-1 reveals that 123 respondents belong to the age group of 22-30 indicating potential market availability for the cosmetics. The chi-square table shows clearly that the calculated value is more than the table value and hence rejects the null hypotheses and accepts alternative and we may conclude that age plays a significant factor in purchase of cosmetics.

Table-2 reveals about occupation and use cosmetics. It is found 60 students, use sometimes and 42 homemakers, 36 employees. It is surprising that 30 businesspersons despite their heavy engagement in business use cosmetics sometimes. The table highlights most of the respondents apply cosmetic most of the times. There only 28 respondents who apply cosmetics frequently.

The chi-square table analysis reveals that occupation do influences the frequency of using cosmetics and thus it rejects the null hypotheses.

Table-3 highlights the data on preference of respondents in terms of price, quality, regular availability and liking of brands. Out of 300 respondents, 204 or 68% prefers quality and 55 respondents out 300 buy their own liked brand. Chi-square analysis reveals that income definitely influences the use of cosmetics.

Table-4 reveals the required data on attitude towards cosmetics. Different respondents gave different versions which is presented in the table on a 5 point Likert Scale of strongly Agree, Agree, Neutral, Disagree and strongly disagree. There are 120 respondents out 300 who strongly agreed and 80 agreed, 90 respondents either disagree or strongly disagree. The ANOVA table analysis reveals that the calculated F value being less than the table value with 5% level of significance at d.f. V1 = 4, V2 =20 accepts the null hypotheses.

CONCLUSIONS

This paper started with probing the details regarding retailing in cosmetics in Bengaluru. It is very clear from the study here that the strong reason to use of cosmetics by people was to look attractive, stylish and but simultaneously they prefer safe cosmetics. The makers of cosmetics has to understand and make only cosmetics with a negligible harmless chemicals since majority of the consumers at Bengaluru are fully aware of chemical cosmetics and Ayurveda oriented cosmetics are preferred now. Consumers prefer quality than the other factors. Therefore, producers must be quality consciousness and make only qualitative products. Income is a conditioning factor of usage of cosmetics. Since Bengaluru is a paradise for software engineers, professors, doctors, advocates, businesspersons, all the makers of cosmetics must manufacture cosmetic suited the need of the consumers.

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Annexure

Table-1: Age wise using of Cosmetics

| Age Attractive | Observing the Trend | To go by the trend | Liking | Any other reason | Total |
|-------------------|------------------------|-----------------------|-----------|---------------------|-------|
| 13-21 | 18(18.8) | 12(7.83) | 6(18.48) | 11(1.88) | 47 |
| 22-30 | 45(49.2) | 18(20.5) | 60(48.38) | 0(4.92) | 123 |
| 31-49 | 48(36.0) | 12(15.0) | 30(35.4) | 0(3.6) | 40 |
| 50 & above | 09(16.0) | 8(6.67) | 22(15.73) | 1(1.6) | 40 |
| Total | 120 | 50 | 118 | 12 | 300 |

Sources: Primary Data

Note: Figures in the parentheses are expected values.

Hypotheses

| | | |
|------------------|--|--------|
| H ₀ : | Age is not influencing the purchase of cosmetics | Reject |
| H ₁ : | Age is influencing the purchase of cosmetics | Accept |

Chi-square Table

Calculated value 35.6144 df $(r-1)(c-1) = 3 \times 3 = 9$ Significance level 5% T.V. 16.919

Chi-square Analysis

The calculated value being 35.6144 and the pt. 16.919 at D.F. being a with 5% level of significance rejects the null hypotheses and accepts the alternative. Therefore we may conclude that age is a decisive factor in buying consumer.

Table-2: Occupation and using of Cosmetics

| Occupation | All time | Most of time | Frequently | Sometimes | Total |
|---------------|----------|--------------|------------|-----------|-------|
| Student | 6(7.02) | 11(17.82) | 04(7.56) | 60(48.6) | 81 |
| Housewife | 0(6.04) | 24(15.84) | 06(6.72) | 42(43.2) | 72 |
| Employee | 16(6.84) | 19(17.71) | 08(7.37) | 36(47.4) | 79 |
| Self-employed | 04(2.08) | 06(5.28) | 02(2.24) | 12(14.4) | 24 |
| Businessmen | 00(3.81) | 06(6.68) | 08(4.10) | 30(26.4) | 44 |
| Total | 26 | 66 | 28 | 180 | 300 |

Sources: Field Data

Note: Figure in the percentage are expected values

Hypotheses

| | | |
|------------------|---|--------|
| H ₀ : | Occupation do not influence on the frequency of using cosmetics | Reject |
| H ₁ : | Occupation do influences the frequency of using cosmetics | Accept |

Chi-square Table

Calculated value 44.5818 d.f. $= (r-1)(c-1) = (5-1)(4-1) = 4 \times 3 = 12$

Significance level 5% T.V. 21.026

Chi-square Analysis

The calculated value being 45.58 is greater than the t.v. = 21.026 @ 5% level of significance rejects the null hypotheses and accepts the alternative. Therefore, we may conclude here that occupation do influence the frequency of using cosmetics.

Table-3: Income and Preference of Cosmetics

| Income | Price | Quality | Regular Availability | Liked Brand | Total |
|------------------|-------|---------|----------------------|-------------|-------|
| Below 50000 | 2 | 12 | 0 | 0 | 14 |
| 50001-150000 | 3 | 26 | 4 | 4 | 37 |
| 15001-250000 | 0 | 50 | 9 | 12 | 71 |
| 250001-350000 | 0 | 45 | 11 | 20 | 76 |
| 350001-450000 | 0 | 60 | 06 | 10 | 76 |
| 450001 and above | 0 | 11 | 06 | 9 | 26 |
| Total | 5 | 204 | 36 | 55 | 300 |

Sources: Field Data

Hypotheses

| | | |
|------------------|---|--------|
| H ₀ : | Family income do not influence the use of cosmetics | Reject |
| H ₁ : | Family income definitely influenced of use of cosmetics | Accept |

Chi-square Table

Calculated value 54.9582 d.f. at Significance level 5% T.V. 24.996

Chi-square Analysis

The chi-square calculated value being 54.9582 with d.f. 15 @ 5% level of significance rejects the null hypotheses and accepts the alternative. Therefore, we may conclude that family income definitely influences the use of cosmetics.

Table-4: Attitude towards Cosmetics

| Variables | SA | A | N | D | SD | Total |
|---|-----|----|----|----|----|-------|
| Indian cosmetics are better | 22 | 8 | 02 | 08 | 03 | 43 |
| They enhance social image | 11 | 5 | 01 | 10 | 08 | 35 |
| Cosmetics usage develops individual personality | 27 | 18 | 04 | 16 | 06 | 71 |
| Quality always proportional to price | 32 | 22 | 02 | 14 | 09 | 79 |
| Accepting only ecofriendly cosmetics | 28 | 27 | 01 | 12 | 04 | 72 |
| Total | 120 | 80 | 10 | 60 | 30 | 300 |

Sources: Primary Data

Table-5: ANOVA Table

| Sources of Variation | SS | d.f. | M.S. | F-ratio From the F-table | 5% F limit |
|----------------------|------|-----------|------------|-----------------------------|------------|
| Between Sample | 1480 | (5-1)=4 | 1480/4=370 | 370/34 | F(4,20) |
| Within Sample | 680 | (25-5)=20 | 680/20=34 | 10.088 | = 2.87 |
| Total | 2160 | 24 | | | |

Sources: Primary Data

ANOVA Analysis

The above table shows that the calculated value being 10.088 which is greater than the t.v. 2.87 @ 5% level of significance with $V_1 = 4$ & $V_2 = 20$. This analysis rejects the null hypotheses and accepts the alternative hypotheses. Therefore we may conclude that attitude towards cosmetics is influenced by various factors and does not confine to only one factor.

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