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It has become evident that major social forces of a global nature - such as demographic trends, migration patterns and the globalization of the economy are reshaping social welfare policies and social work practices the world over. There is much to be learned from the careful analysis of experiences in the various countries that are struggling with the emerging challenges to social welfare in the post-modern world.

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Indian Journal of Ancient Medicine and Yoga	Quarterly	8000	7500	625	586
Indian Journal of Anesthesia and Analgesia	Monthly	7500	7000	586	547
Indian Journal of Biology	Semiannual	5500	5000	430	391
Indian Journal of Cancer Education and Research	Semiannual	9000	8500	703	664
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Entrepreneurship a Global Perspective: Its Opportunities and Challenges

R. Lavanya Kumari¹, J. Venkatesh²

Abstract

Entrepreneurship is on rise, more entrepreneurs start new ventures and account entrepreneurship as a career option. Entrepreneurship is a multimedia phenomenon. Entrepreneurship has gained more importance at global level under changing economic situation. Worldwide economy in widespread and Indian economic system specifically is poised for expanded growth pushed with the aid of entrepreneurship. Admits environment of terrific mall way of life we discover lots of scope for entrepreneurship in trading and production. Entrepreneurship acts as a catalyst for the monetary prosperity of a nation as it ends in era of employment, contribution in countrywide earnings, rural improvement, industrialization, technological development, export promoting and many others. True entrepreneurs are resourceful, passionate and driven to succeed and improve. They're pioneers and are comfortable fighting on the frontline. The great ones are ready to be laughed at and criticized in the beginning because they can see their path ahead. The aim of the article is to elucidate the role of entrepreneurship; with this the secondary objective of this research paper is to find out challenges and opportunities globally which to create an entrepreneurial awareness in young generation. It also discussed about eminent entrepreneurs from Indian history to present Era. This is based upon secondary data which is collected from internet, journals, books, newspapers, etc.

Keywords: Challenges; Entrepreneurs; Entrepreneurship and Opportunities.

Introduction

The prosperity of a country is related to its overall improvement and the overall improvement as mentioned the wide variety of production units which are prevailing in that economy. An economic system is called an emerging economy or a rising market whilst it is seen through the entrepreneurial nature of the economic system. Within the past decade,

evolved nations have grown diminutively. As developing nations are great a part of the world's economic output many main economist have anticipated them as rising economies and the global aggressive benefit is also shifting from advanced to growing nations. Entrepreneurship as a stabilizing force limits entrepreneurship to studying markets disequilibrium, even as entrepreneurship described as proudly owning and working a business, denies the possibility of entrepreneurial behavior through non-proprietors, employees and managers who have no fairness stake within the business.

Entrepreneurship as a stabilizing force limits entrepreneurship to studying markets disequilibrium, whilst entrepreneurship described as owning and operating a commercial enterprise, denies the possibility of entrepreneurial behaviour by way of non-owners, employees and bosses who've no equity stake within the enterprise. therefore, the most suitable definition of entrepreneurship "a pressure that mobilizes different resources to satisfy unmet market demand", "the capability to create and build

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something from practically nothing”, “the technique of making value by means of pulling together a unique bundle of resources to make the most an possibility”.

Entrepreneurship so defined, relates to any new employer of effective elements and now not completely to improvements which might be at the technological or organizational cutting edge, it relates to entrepreneurial sports both within and outside the organization. Entrepreneurship need not contain something new from a worldwide or even countrywide angle, however alternatively the adoption of recent kinds of enterprise corporations, new technologies and new companies generating goods not previously available at an area. That is why entrepreneurship is considered to be a high mover in development and why countries, areas and communities that actively sell entrepreneurship improvement, exhibit lots better growth prices and therefore better stages of improvement than countries, regions and groups whose establishments, politics and tradition preclude entrepreneurship. An entrepreneurial economic system, whether at the national, local or community degree, differs considerably from a non-entrepreneurial economic system in many respects, no longer simplest through its monetary structure and its economic vigorousness, but additionally through the social vitality and satisfactory of lifestyles which it gives with a consequent splendor to human beings.

The term “Entrepreneurship” is denoted from the French verb “entreprendre” and the German word “unternehmen”, each way to “undertake”. Peter Drucker proposed that Entrepreneurship is a practice which means that entrepreneurship isn’t always a state of being neither is it characterized with the aid of making plans that are not acted upon. Entrepreneurship starts off evolved with movement, creation of recent agency. This company may additionally or won’t come to be self-maintaining and actually, may additionally never earn tremendous revenues. However, whilst people create a new company, they’ve entered the entrepreneurship paradigm.

Objectives

1. Understand the significance of entrepreneurship in a global perspective.
2. Study the challenges faced in the growth of entrepreneurs.
3. Study the opportunities which hinder the emergence of entrepreneurs.

Methodology

The study is descriptive in nature and the data collected from various published journals, articles, books and magazines etc.

Significance of Entrepreneurship Globally

In current years entrepreneurship has come to be a global dream for plenty of people all around the world, however only very few understand the importance of entrepreneurship and dare to turn their dreams into reality. Even though beginning a new enterprise from a scratch needs for positive personal traits, as ardour, self-notion, high self-motivation and courage, which might be from time to time difficult to broaden, and high level of devotion as making your personal enterprise paintings takes a variety of time, in change it affords more advantages.

One of the maximum appealing benefits of turning into an entrepreneur is being financially independent. At the same time, you need to be organized for all the dangers related to investing your money into something that perhaps will fail. People who had been not afraid to take a risk finally have become successful businessmen. Richard Branson, Steve Jobs, Bill Gates are the few amongst folks that determined to carry their personal ideas to existence. with none doubt we will say, that entrepreneurs did change the way cutting-edge people perceive global, and no longer best from enterprise angle. Their unconventional, creative method to the commercial enterprise and the improvements that have grow to be inseparable part of present day society, not most effective made our everyday lifestyles less difficult, they became a supply of motivation and concept for humans all around the global. Some other advantage that influences lots the choice to turn out to be an entrepreneur is the possibility to be your own boss, and therefore to do something you’re without a doubt obsessed with, to communicate your personal values and thoughts to the society. In other phrases, entrepreneurship implies freedom in many areas, that’s unobtainable when you are working for someone else.

Further to all positive aspects of having your own enterprise, entrepreneurship plays a massive position in monetary improvement and as a consequence, the importance of entrepreneurship can’t be undermined. There’s a prevailing opinion that businesses are the ones having a great impact on economic system growth. But, opposite to that, the smaller businesses are those stimulating neighborhood economies the maximum. Often entrepreneurial companies play a massive function in monetary development now not simply on national level, however within the global financial system. Furthermore, one of the maximum

vital factors of entrepreneurship is that it creates possibilities for employment; therefore it impacts local societies in a most fantastic way. Particularly nowadays, while majority of nations international are facing an increasing unemployment, the significance of entrepreneurship must not be underestimated.

Entrepreneurship is a much less suited career preference in India whilst compared to its peers within the least advanced economies in addition to Brazil, China and South Africa. With the aid of Global Entrepreneurship Monitor (GEM) 39.3% in India assume entrepreneurship as a great profession desire. In China, 65.9% respondents stated that entrepreneurship as an amazing career preference, observed with the aid of South Africa (73.8%) and Brazil 77.7%. In India, 38% adults perceive accurate opportunities to start an enterprise and 38% of them believe they have competencies to begin a business, while 44% experience that the concern of failure is preventing them from taking the plunge. The survey found that in India, 3.2% adults are 'nascent entrepreneurs' (actively involved in setting up a enterprise), whilst 7.7% are 'new enterprise proprietors' (in operation for more than three months but much less than 42 months). India's entrepreneurial exit rate is the second lowest among all GEM countries, which is

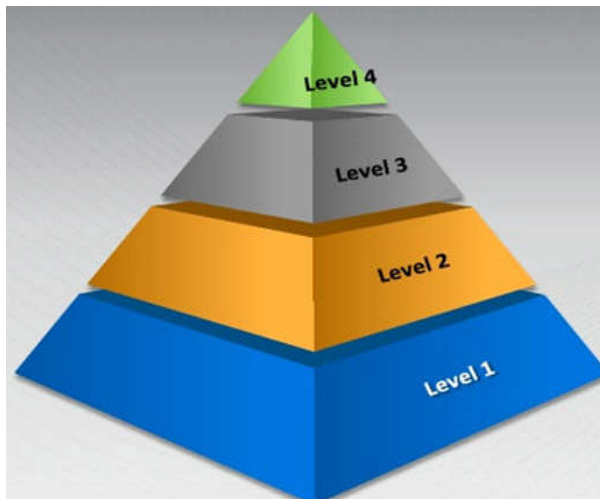


Fig. 1:

Source: Global Entrepreneurship Index 2018

certainly a fantastic thing. The main constraints for entrepreneurship development in India include lack of funds, government regulation and complex tax systems, entrepreneurial education at primary and secondary levels, tradition and social norms.

Level 1: Agriculture & Other Activities like Crop production, Plantation, Forestry, Livestock, Fishing,

Mining and Quarrying.

Level 2: Trading services such as Wholesale & Retail, Hotels and Restaurants.

Level 3: Traditional sectors like Manufacturing, Electricity and Gas & Water Supply.

Level 4: Emerging sectors include Information Technology, Finance, Insurance & Business services, Construction, Supply Chain, Social services and Communication.

Entrepreneurship is vital for creation of job, economic boom and hassle-solving which reflects a society's ability for boldness, risk-taking, creativity and there's a robust positive association between entrepreneurship, economic growth and innovation. The bilateral cooperation, running with India in hosting the GES (Global Entrepreneurship Summit) will mirror the shared values and commitment to develop jobs and rising residing requirements through innovation in addition to open and transparent economic systems. Entrepreneurship also offers solutions to urgent global demanding situations. The word "entrepreneur" will turn to Silicon Valley and the social media and tech legends like Facebook and Google. But today's marketers are also fixing urgent troubles like access to energy and healthcare, and bringing the energy of the digital revolution to farmers in developing countries. And it's not simply the focal point of marketers this is changing it's the marketers themselves. solving our maximum pressing issues, whether or not local, countrywide or worldwide, is going to take each accurate concept that we will generate, and that's why we need to make certain that every budding entrepreneur is nurtured and endorsed to place their strength and vision to work in the marketplace.

The top countries are the United States, Switzerland, Canada, the United Kingdom, Australia, Denmark, Iceland, Ireland, Sweden and France show a sample similar to last year's high-earnings, basically European countries. The primary surprise this year is the motion of the United Kingdom from eighth vicinity to 4th region and the movement of Sweden from 4th vicinity to ninth region. Because the ratings inside the highest range are so near, small modifications in score from 12 months to the next can produce a notably big shift in ranks among the pinnacle ten.

India's Performance Globally

India has moved up one location to the 68th position which is crowned by US evaluating to the last year. The US crowned the index, which ranked

Table 1:

Country	GEI 2018 Lower limit	GEI 2018 upper limit	GEI 2018	Rank 2018	GEI Rank 2017
United states	77.5	89.7	83.6	1	1
Switzerland	72.5	88.4	80.4	2	2
Canada	73.9	84.6	79.2	3	3
United kingdom	73.6	81.9	77.8	4	8
Australia	69.0	82.0	75.5	5	7
Denmark	64.8	83.8	74.3	6	5
Iceland	63.6	84.7	74.2	7	6
Ireland	66.8	80.6	73.7	8	9
Sweden	67.1	79.1	73.1	9	4
France	59.9	77.1	68.5	10	13

137 countries. India is witnessing a primary boom in entrepreneurship now not due to its X factor but out of the want for its citizens to create their own process. With greater than 65% of the population beneath 35 years of age and a record-breaking growth in smartphone adoption and data services across the country, there was a growing demand for next generation services. While India has been seeing this growing trajectory of entrepreneurs and new startups over the last five years, 2016 has been a prime milestone for all of the key stakeholders in the Indian ecosystem inclusive of government, educational institutions, entrepreneurship aid businesses, buyers and entrepreneurs to seek and offer assist in maintaining the biggest hurricane of entrepreneurship. Enterprise is a vital engine of economic growth, without enterprise and entrepreneurs, there would be innovation, productivity growth, and create jobs. India is powerful in product innovation

at the same time as vulnerable inside the place of generation absorption. India is in the process of appointing thirty state ambassadors who will lead all policy panels, entrepreneurship celebrations, countrywide competitions and partnerships, of their respective states.

Even as there are critics of globalization and there are simple repercussions of globalization, the cross-border exchange of goods and ideas has led to considerable and constantly rising possibilities for new corporations to develop. Consequently, entrepreneurship and globalization go hand in hand. The most three essential methods are as follows:

- *Globalization Eases Technology Entrepreneurship:* Global cooperation reinforces the increase of innovation ecosystems. This could consist of engagement among new ventures, small and medium enterprises and large corporate.



Fig. 2:

Source: Global Entrepreneurship Index 2018

- *Globalization Facilitates Transnational Entrepreneurship:* Diaspora networks of émigrés to diverse international locations take what they have found out in businesses and use it to create their own businesses within the equal or comparable sectors.
- *Globalization Promotes Social Entrepreneurship:* This includes making wealth while concurrently addressing pressing societal issues consisting of environmental degradation, poverty, and poor health, the barriers to commence a tech organization have turn out to be low and it's far even simpler to conduct enterprise on an worldwide scale than ever. This reality alone contributes significantly to run businesses globally easier.

Entrepreneurial Ecosystems

Entrepreneurship Ecosystems or Business

ecosystem or Economic development ecosystem or the entrepreneurial environment approach has received prominence among entrepreneurs, entrepreneurship supporters, and in public policy. Entrepreneurs in an environment can play more than one important roles which undertaking, a non-income agency, has plenty enjoy in promoting those a couple of roles in lots of parts of the sector. The top 3 countries primarily based on the pleasant of entrepreneurial ecosystem are the USA, Switzerland, and Canada. Fostering entrepreneurship has emerged as a core factor of economic improvement in towns and nations round the sector.

The fundamental metaphor for fostering entrepreneurship as an economic development method is the “entrepreneurship atmosphere.” The idea of an entrepreneurial atmosphere refers to the collective and systemic nature of entrepreneurship. Entrepreneurship has the capacity to address gaps in financial increase, stability, and other measures of

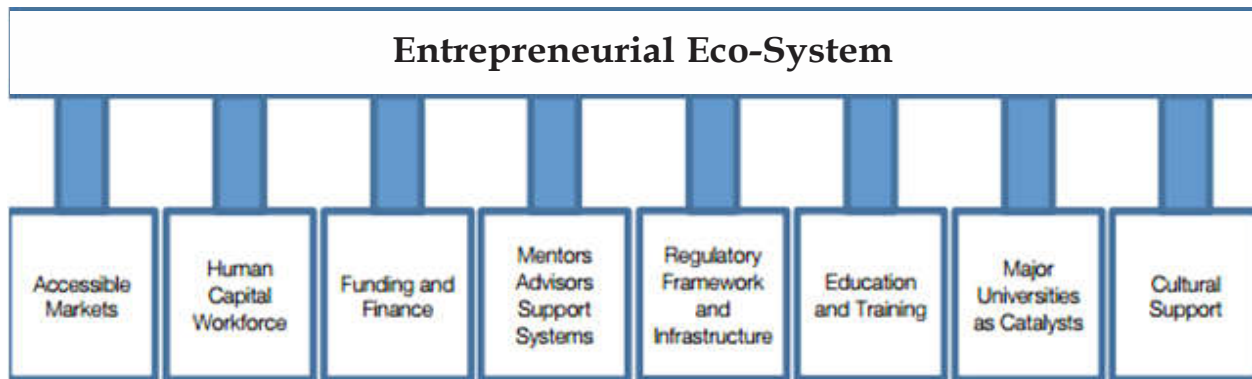


Fig. 3:
Source: Global Index 2018

well-being in nations round the arena. Yet shifting from wishes-based entrepreneurship within the casual economy to opportunity-primarily based firm introduction may be difficult, specifically in emerging marketplace economies. And the environment or ecosystem in which an entrepreneur is running at once and indirectly affects entrepreneurial achievement and effect.

- *Accessible Markets* are domestic corporations; international corporations; consumers; distribution networks; retail networks; marketing networks
- *Human Capital* denotes high schools; universities; technical training institutes and community colleges
- *Funding and Finance* gives importance to access to

debt; access to venture capital; access to grants; access to angels; banks; microfinance institutions; public capital markets; development finance institutions; government finance

- *Support Systems* includes industry networks; incubators/accelerators; legal/accounting services, business mentors and technical advisers; credit rating agencies
- *Regulatory Frame work* includes tax rates; tax incentives; costs to so start a business
- *Infrastructure:* Includes electricity providers, transport providers; communications (mobile, internet); other utility providers (gas, water)
- *Research & Development* depicts public research centers and laboratories; private research centers and laboratories

- *Culture*: Includes media, government, schools, professional associations, social organizations that support a culture of entrepreneurship

Entrepreneurship Challenges and Opportunities

Entrepreneurship has won greater importance at worldwide degree below changing monetary state of affairs. Global economy in preferred and Indian economic system especially is poised for improved growth pushed by using entrepreneurship. Admits environment of high-quality mall way of life we find plenty of scope for entrepreneurship in buying and selling and production. Entrepreneurship as a stabilizing pressure limits entrepreneurship to reading markets disequilibria, whilst entrepreneurship defined as proudly owning and running a commercial enterprise, denies the possibility of entrepreneurial conduct via non-proprietors, personnel and bosses who've no equity stake inside the enterprise. therefore, the most appropriate definition of entrepreneurship that would suit into the agricultural development context, argued here, is the broader one, the one which defines entrepreneurship as: "a pressure that mobilizes different resources to fulfill unmet market demand", "the ability to create and construct something from practically nothing", "the system of making price by way of pulling together a unique package of resources to make the most an opportunity".

- Unfastened entry into international trade.
- Improved danger taking potential.
- Governments of countries withdrawn a few regulations
- Generation and innovations unfold into the sector.
- Encouragement to innovations and innovations.
- promoting of healthful completions among international locations
- Consideration increase in government assistance for worldwide exchange.
- Established order of different national and worldwide institutes to assist enterprise among nations of the arena.
- Benefits of specialization.
- Social and cultural improvement

Challenges

- Curiously, India additionally faces some acute challenges in terms of networking and cultural guide. India does no longer perform at the identical

preferred as a number of different nations do in terms of how nicely entrepreneurs recognize and hook up with each different to share ideas, technical understanding, market connections and to adopt joint activities.

- Cultural aid is also a key weak point in the Indian installation. This measures how a society perspectives entrepreneurship in terms of its popularity, as a career desire and how this view is suffering from corruption. They have an effect on of corruption on societal views approximately entrepreneurship points in the direction of the fact that corruption keeps rearing its unpleasant head in India in spite of several reforms and development in this location.
- Additionally, the perception of Indians approximately entrepreneurship as a profession choice suggests that there is nonetheless a traditional underlying choice in India for the stable and comfy salaried employment as compared to entrepreneurship.
- Finally, unexpected is the truth that India does not perform properly at the availability of threat capital, despite the various measures that have been put in location below the "start-up India" tasks. As a result, an essential venture stays for the entrepreneurial region in ensuring that the best amount and type of capital is available in an entrepreneurial existence cycle, every time wished.

Conclusion

Entrepreneurship globally is more positive and its challenges are absolutely ignored by its possibilities however, be conquer by way of positive strategies which help in making worldwide entrepreneurship higher for entrepreneurs. So as to deal with the challenges, the global entrepreneurs must conduct marketplace researches and standard researches to evaluate the requirements and desires of the market before entering it. For this reason, global entrepreneurship is enormously useful and it creates price for the enterprise but its challenges, the worldwide entrepreneur has the ability to make use of the worldwide market and international status within the great viable manner. The opportunities of world entrepreneurship are super and such a lot of entrepreneurs are seeking out possibilities to move international and take advantage of the globalized worlds. Additionally, I can conclude that there is a lot of potential and scope on this phase which may be beneficial to young entrepreneurs.

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Study on the Usage of Traditional, Digital and Social Media by Micro, Small and Medium Enterprises in Hyderabad, India

Madhusudan Kumar Kota

Abstract

India is on the cusp of a social media revolution. With the availability of affordable smartphones and cheap data plans, the customer is just at a distance of click of a button. The emergence of digital and social media gave a new dimension to the way Micro, Small and Medium Enterprises (henceforth termed as MSMEs) to operate their business primarily in the marketing of their products and services. A literature survey indicates that few MSMEs have embraced these emerging media, but still, there is a majority who are yet to adopt. Social media joined the existing armoury of traditional and digital marketing tools that are currently used by the business owners. Owing to the paucity of research on the usage of media in MSME sector, the present study examines the demographic aspects of the MSME owners such as gender, age, education and business aspects such as the type of firm, MSME classification, Type of ownership and years in business. The study also looks into the usage of traditional, digital and social media by the MSMEs.

Keywords: Traditional Media; Digital Media; Social Media; MSME; Media Usage.

Introduction

In the last couple of decades, the availability of media for business promotion for the marketers have significantly changed. Till the last decade, companies relied heavily on traditional channels like television, print, and radio to promote their products. Most of these traditional channels are expensive, sometimes prohibitive and thus these were adopted by only large corporations with sound financial resources. The costly nature of the traditional media alienated Micro Small and Medium Entrepreneurs, and they stayed away from these traditional media. Development of internet and related technologies are transforming the practice of marketing. E-commerce replaced mass markets, push marketing which is a traditional marketing concept is transformed into permission

marketing, a digital marketing concept where products and prices are no more fixed, they are customised according to the customer (Wymbs, 2011). The development of telecommunications network, the explosion of the internet and smartphone penetration has resulted in the creation of a 'new media' known as social media. With the advent of social media, the tables have turned. Social Media is defined as computer-mediated technologies that facilitate the creation and sharing of information, ideas, career interests and other forms of expression via virtual communities and networks. (Obar, J. A., & Wildman, S. S., 2015). The beauty of social media is that it is free and the content is user-generated. In a way, each user is the creator, and each creator is also a user. Social Media is viral and can spread itself rapidly across the world, sometimes in a matter of minutes.

Social media is two-way communication, unlike the traditional media. Digital media is technically a mass media with a component of interactivity, which gave the organisations a considerable scope to engage with the customer directly and the impact and reach were measurable. In most cases, social media was either free or was less expensive

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than the traditional media. Gradually social media started complementing and at the same time replacing traditional media.

Indian MSME sector has emerged as one of the fastest growing and dynamic segment in Indian economy. MSME sector is the backbone of Indian economy. MSME plays a vital role in promoting entrepreneurship with low capital cost and in generating employment. The government of India’s Twelfth Five Year Plan’s vision was to increase annual GDP growth to 8 percent and to create jobs to 50 million people in the Micro, Small and Medium Enterprises (MSME). Skill development and internet connectivity are identified as the enablers to achieve the targeted growth (KPMG Report, 2017).

The 2015-16 Annual report published by the Ministry of Micro, Small and Medium Enterprises reports that India has 51 million MSMEs which contribute 37.5 percent of the Indian GDP in which 7% contributed by the manufacturing sector and 30 percent by the service sector. The share of MSME in manufacturing output is around 37 percent and contributing 46 percent to exports. Most importantly MSME sector employes seventeen million workforce which is 14 percent of India’s working population (KPMG Report, 2017).

Fast changing global economics are creating challenges for the MSMEs. According to Ministry of Micro Small and Medium Enterprises marketing is one of the weakest and significant problem the MSMEs face apart from credit availability and technological upgradation.

The objective of any MSME is to earn profits. The MSMEs can create a world-class product or service, but if they fail to market the same, then they will not make a profit. The profits are dependent on the marketability of the MSMEs. Large organisations have enough financial resources to undertake any aggressive marketing plan to promote their products. MSMEs have neither the workforce nor financial resources to promote their products. Traditional media like newspapers, television and radio, are costly and thus are out of reach for most of the MSMEs.

With the availability of affordable smartphones and cheap data plans, the customer is just at distance of

click of a button and that too at an affordable cost. In this backdrop KPMG India and Google Study on Impact of Internet on Small and Medium Business (2017) reported that 68 percent of the Indian small businesses donot have an online presence and are using traditional marketing tools, 15 percent are connected but are not using the internet for business. Only 2 percent of MSMEs are digitally enabled and are actively using digital technologies (KPMG,2017).

The present study intends to understand the usage of traditional, digital and social media of the MSME owners in the city of Hyderabad. The proposed research will also look into the demographic aspects such as gender, age, education and business aspects such as the type of firm, classification of the firm, the age of the firm and type of ownership. Firstly this study attempts at understanding the usage of media for promotion, their choice of media namely traditional and digital by MSME. Secondly, it also attempts at exploring the relationship between usage of media and demographics of the MSME owners. Thirdly, it examines the relationship between MSME classification and their usage of media.

Review of Literature

MSME: MSMEs are classified as Micro, Small and Medium based on their capital investment (Table 1).

Small businesses differ from large organisations regarding characteristics (McCartan-Quinn and Carson, 2003) and have greater flexibility, innovation and low costs as advantages (Walsh and Lipinski, 2009). Marketing power, capital and managerial resources are significant disadvantages of small businesses (Motwani et al., 1998). Small businesses can derive global position by engaging in innovative marketing practices which is a critical component in small business’s profitability, long-term growth and survival (Gilmore, A., Carson, D. and Grant, K, 2001). Irrespective of the size of the business, entrepreneurs do undertake marketing in some form or other. Small businesses can not garner the benefit of marketing due to lack of marketing knowledge, poor cash flows, the small size of operation, strategic and tactical problems related to the customers (O’Dwyer, Gilmore

Table 1: MSME classification based on Capital invested

MSME Classification	Manufacturing	Service
Micro	Investment ≤ 25lakhs rupees	Investment ≤ 10lakhs rupees
Small	Investment >25 lakhs but < 5 crores rupees	Investment >10 lakhs but < 2 crores rupees
Medium	Investment > 5 crores but < 10 crores rupees	Investment > 2 crores but <5 crores rupees

Source:Ministry of Micro, Small and Medium Enterprises, Government of India

&Carson, 2009). Romano and Ratnatunga (1995) noted that "small firms face marketing challenges which can and will ultimately determine their future"(pp.9-30).

Traditional Media Marketing

Cobb (2007) asserts that before the birth of social media, traditional media apparently was considered as a critical intermediary between the business organisation and the society. Traditional Marketing uses mass media like television, print, radio and outdoor media like hoardings with a significant focus on one-way communication. Traditional media marketing necessarily includes all the elements of promotion except for digital marketing tools.(Cant. C.M and Wild A.J 2015). Despite the emergence of new tools for marketing communication small businesses continue to use traditional marketing tools to promote their business, despite budget constraints (Marketing-schools.org, 2012). Usage of the traditional media like advertising, sales promotions, public relations, direct marketing and personal selling by the MSMEs owners are studied.

Digital Media Marketing

Smith (2007) defined digital media "the use of digital technologies to create an integrated, targeted and measurable communication which helps to acquire and retain customers while building deeper relationships with them."

Digital marketing, online marketing and social media marketing are mostly used terms whenever the use of technology and marketing tools discussed. However, there is a disagreement on interchangeability of use of the terms. (Järvinen, J. Tollinen, A. Karjaluoto, H. & Jayawardhena, C 2012). Melewar and Smith (2003) termed digital marketing as an umbrella term. Digital media marketing refers to the utilisation of all digital tools to interact with customers.(Järvinen, J. Tollinen, A. Karjaluoto, H. & Jayawardhena, C 2012).

Usage of digital media like Search Engine Optimisation (SEO), Pay Per Click(PPC), email marketing, listing in online directories, digital display ads, home shopping on television by the MSME owners are studied.

Social Media Marketing

"Web 2.0 is a set of economic, social and technology trends that collectively form the basis for the next generation of the Internet, a more mature, distinctive

medium characterised by user participation, openness, and network effects" (Musser and O'Reilly, 2005).

According to Kaplan and Haenlein (2009) "Social media is a group of internet based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of the user-generated content." (p .61). According to Järvinen, J. Tollinen, A. Karjaluoto, H. & Jayawardhena, C. (2012) social media is an enhancement to digital media. Social media encompasses all the tools that allow companies to interact with customers. Alves, H., Fernandes, C., & Raposo, M. (2016) maintains that the firms are adopting social media for marketing activities like branding, market research, customer relationship management, service provision and sales promotions.

Odom, R. et al., (2017) maintain that social media is more suitable for small businesses because of low cost, low barriers to participation, mobility and minimal requirement of IT skills. They further opined that social media adoption by the small companies enables competitiveness while offering a cost-effective platform for communicating with consumers. Kietzmann et al. (2011) remarked that "social media introduce substantial and pervasive changes to communication between organisations, communities and individuals" (p.250). Amy Martin, the author of "Renegades Write the Rules," opines that "entrepreneurs are especially poised to gain from social media because it provides easy access to potential customers and partners, facilitating free marketing and market research and efficient customer service" (Gourdreau, 2012).

In this study, usage of social media like Facebook, Twitter, LinkedIn, Google+, Youtube and Instagram by the MSME owners are studied.

Integrated Marketing Communications

With the advancement in communication technologies, the ranges of possible tools at the marketer's disposals are substantial. Creating a right mix of communications methods is similar to making a recipe. The ingredients have to be added in the right amounts at the right time and treated in the right way if the recipe is to work. Also, one ingredient cannot substitute for another personal selling cannot, on its own, replace advertising, nor can public relations exercises replace sales promotions. Integrated marketing is about mixing and matching these marketing activities to maximise their individual and collective effects (Lacobucci & Calder 2003).

MSMEs use one or two promotional elements for promoting their business (Key, T. M., & Czaplewski, A. J. 2017). According to Keller (2001) "Marketing communications are the means by which firms attempt to inform, persuade, incite, and remind consumers - directly or indirectly - about the brands they sell" (p. 819).

"Marketing communications is a critical aspect of companies' overall marketing missions and a major determinant of success or failure" (Andrews, J. C., & Shimp, T. A. 2018).

According to Boon & Kurtz (2007) "Integrated Marketing Communications (IMC) is the guiding

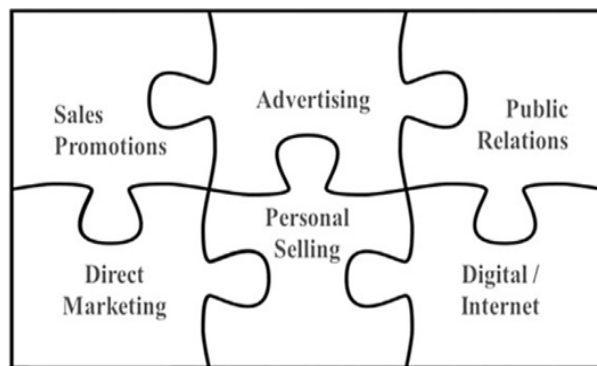


Fig. 1: Integrated approach to marketing communication
Source: Key, T. M., & Czaplewski, A. J. (2017)

principle organisations follow to communicate with their target markets. Integrated marketing communications attempt to coordinate and control the various elements of the promotional mix - advertising, personal selling, public relations, publicity, direct marketing, and sales promotion - to produce a unified customer focused message and therefore, achieve various organisational objectives" (p. 488).

Even though Key, T. M., & Czaplewski, A. J. (2017) advocated the above conceptual approach (Figure 1) with regards to social marketing, the researcher feels that the same approach applies to the all those settings where multiple communication strategies are used. The conceptual model presented, argues that synergy between advertising, personal selling, public relations, direct marketing, sales promotions and digital/internet marketing and all the other elements of promotion mix which will make the promotional campaigns more effective. Even though MSMEs might be using the elements of the above model they might not be aware of the Integrated Marketing Communications (IMC) concept. Media henceforth in the study conducted by the researcher will be

specified with a prefix that is traditional media, digital media and social media.

Research Objectives

The present study intends to understand the usage of traditional, digital and social media among the MSME owners in the city of Hyderabad. The proposed research will also look into the demographic aspects such as gender, age, education and business aspects such as the type of firm, classification of the firm, the age of the firm and type of ownership.

The study pursues the following objectives

1. To study and understand the usage of traditional, digital and social media promotional tools of the MSMEs.
2. The proposed study looks into the demographic aspects of MSME owners such as gender, age, education.
3. Business aspects such as the type of firm, classification of the firm, age of the firm and type of ownership.

The study will test the following hypothesis

$H_1: H_{1a}$: There is a significant relationship between gender and usage of traditional media.

H_{1b} : There is a significant relationship between gender and usage of digital media.

H_{1c} : There is a significant relationship between gender and usage of social media.

$H_2: H_{2a}$: There is a significant relationship between age and usage of traditional media.

H_{2b} : There is a significant relationship between age and usage of digital media.

H_{2c} : There is a significant relationship between age and usage of social media.

$H_3: H_{3a}$: There is a significant relationship between education and usage of traditional media.

H_{3b} : There is a significant relationship between education and usage of digital media.

H_{3c} : There is a significant relationship between education and usage of social media.

$H_4: H_{4a}$: There is a significant relationship between the type of firm and usage of traditional media.

H_{4b}: There is a significant relationship between the type of firm and usage of digital media.

H_{4c}: There is a significant relationship between the type of firm and usage of social media.

H₅: H_{5a}: There is a significant relationship between MSME Classification and usage of traditional media.

H_{5b}: There is a significant relationship between MSME Classification and usage of digital media.

H_{5c}: There is a significant relationship between MSME Classification and usage of social media.

H₆: H_{6a}: There is a significant relationship between Type of ownership and usage of traditional media.

H_{6b}: There is a significant relationship between Type of ownership and usage of digital media.

H_{6c}: There is a significant relationship between Type of ownership and usage of social media.

H₇: H_{7a}: There is a significant relationship between years in business and usage of traditional media.

H_{7b}: There is a significant relationship between years of business and usage of digital media.

H_{7c}: There is a significant relationship between years of business and usage of social media.

Research Tool

The first part of the research questionnaire of this study includes demographic variables such as gender, age, education and business variables such as the type of firm, MSME classification, Type of ownership and years in business.

The study also looks into the usage of traditional, digital and social media by the MSMEs. The second part of the questionnaire includes questions on usage of media such as traditional media, digital media and social media for promoting their business.

Research Survey

A total of 270 MSME owners were met for administering the questionnaire, and 210 MSME owners responded by filling the questionnaire with a response rate of 77 percent.

Among the MSME owners, 171 MSME owners were using social media which is 81 percent of the total respondents. All the respondents were MSME owners.

Table 2: Results of testing of Chi-squares

Hypothesis No.	Hypothesis	χ^2	DF	p	Result
H _{1a}	There is a significant relationship between gender and usage of traditional media.	9.40	1	0.02	Reject H ₀
H _{1b}	There is no significant relationship between gender and usage of digital media.	0.50	1	0.48	Accept H ₀
H _{1c}	There is no significant relationship between gender and usage of social media.	0.90	1	0.34	Accept H ₀
H _{2a}	There is no significant relationship between age and usage of traditional media.	8.68	5	0.12	Accept H ₀
H _{2b}	There is no significant relationship between age and usage of digital media.	7.52	5	0.19	Accept H ₀
H _{2c}	There is no significant relationship between age and usage of social media.	8.46	5	0.13	Accept H ₀
H _{3a}	There is a significant relationship between education and usage of traditional media.	15.87	4	0.00	Reject H ₀
H _{3b}	There is no significant relationship between education and usage of digital media.	4.89	4	0.30	Accept H ₀
H _{3c}	There is no significant relationship between education and usage of social media.	8.70	4	0.07	Accept H ₀
H _{4a}	There is a significant relationship between the type of firm and usage of traditional media.	9.40	1	0.02	Reject H ₀
H _{4b}	There is no significant relationship between the type of firm and usage of digital media.	0.50	1	0.48	Accept H ₀
H _{4c}	There is no significant relationship between the type of firm and usage of social media.	0.90	1	0.34	Accept H ₀
H _{5a}	There is no significant relationship between MSME Classification and usage of traditional media.	4.29	2	0.12	Accept H ₀
H _{5b}	There is no significant relationship between MSME Classification and usage of digital media.	1.91	2	0.39	Accept H ₀
H _{5c}	There is no significant relationship between MSME Classification and usage of social media.	1.37	2	0.34	Accept H ₀
H _{6a}	There is a significant relationship between Type of ownership and usage of traditional media.	9.40	2	0.02	Reject H ₀
H _{6b}	There is no significant relationship between Type of ownership and usage of digital media.	0.50	2	0.48	Accept H ₀
H _{6c}	There is no significant relationship between Type of ownership and usage of social media.	0.90	2	0.34	Accept H ₀
H _{7a}	There is no significant relationship between years of business and usage of traditional media.	3.67	4	0.45	Accept H ₀
H _{7b}	There is no significant relationship between years of business and usage of digital media.	3.22	4	0.52	Accept H ₀
H _{7c}	There is no significant relationship between years of business and usage of social media.	4.03	4	0.40	Accept H ₀

Results

Statistical Package for the Social Sciences (SPSS) 21 was used to test the hypotheses using Chi-square.

After Chi-square tests were done, it was found that four relationships are significant and rest of the 17 relationships were found insignificant (Table 2).

1. There is a significant relationship between gender and usage of traditional media.
2. There is a significant relationship between education and usage of traditional media.
3. There is a significant relationship between the type of firm and usage of traditional media.
4. There is a significant relationship between Type of ownership and usage of traditional media.

Seventy-five percent of males said that they are using traditional media and 25 percent do not use. 97 percent of the females MSME owners said that they use traditional media and rest 3 percent do not use. 88 percent of males said that they usedigital media and 12 percent do not use. 84 percent of the

females MSME owners said that they use digital media to 16 percent do not use. 80 percent of males said that they use social media and 20 percent do not use. Interestingly 87 percent of the females MSME owners said that they use social media for the rest 13 percent do not use (Table 3).

Eighty percent of MSME owners in the age group of 25 to 54 years said that they use traditional media and the remaining 20 percent do not use. 89 percent of MSME owners in the age group of 25 to 54 said that they use digital media and 11 percent do not use. 82 percent of the MSME owners in the age group of 25 to 54 years use social media, and 18 percent do not use. (Table 4). 88 percent of MSME owners in the group of graduation and post-graduation said that they use traditional media and the remaining 12 percent do not use. 81 percent of MSME owners in the group of graduation and post-graduation said that they usedigital media and 19 percent do not use. 83 percent of the MSME owners in the group of graduation and post-graduation use social media, and 17 percent do not use (Table 5).

Eighty-eight percent of MSME owners who are into manufacturing sector said that they use

Table 3: Gender and usage of media

Gender	Traditional					Digital					Social				
	Yes	%	No	%	Total	Yes	%	No	%	Total	Yes	%	No	%	Total
Male	129	75	43	25	172	152	88	20	12	172	138	80	34	20	172
Female	37	97	1	3	38	32	84	6	16	38	33	87	5	13	38
Total	166	79	44	21	210	184	88	26	12	210	171	81	39	19	210
	χ^2	9.40	df 1	p	0.02	χ^2	0.50	df 1	p	0.48	χ^2	0.90	df 1	p	0.34

Table 4: Age and usage of media

Age	Traditional Media					Digital Media					Social Media				
	Yes	%	No	%	Total	Yes	%	No	%	Total	Yes	%	No	%	Total
18-24	0	0	2	100	2	1	50	1	50	2	2	100	0	0	2
25-34	47	77	14	23	61	55	90	6	10	61	46	75	15	25	61
35-44	66	81	15	19	81	74	91	7	9	81	69	85	12	15	81
45-54	38	83	8	17	46	39	85	7	15	46	40	87	6	13	46
55-64	13	76	4	24	17	13	76	4	24	17	13	76	4	24	17
65-74	2	67	1	33	3	2	67	1	33	3	1	33	2	67	3
Total	166	79	44	21	210	184	88	26	12	210	171	81	39	19	210
	χ^2	8.68	df 5	p	0.12	χ^2	7.52	df 5	p	0.19	χ^2	8.46	df 5	p	0.13

Table 5: Education and Usage of Media

Education	Traditional Media					Digital Media					Social Media				
	Yes	%	No	%	Total	Yes	%	No	%	Total	Yes	%	No	%	Total
PhD	3	75	1	25	4	1	25	3	75	4	4	100	0	0	4
10th standard	5	100	0	0	5	3	60	2	40	5	3	60	2	40	5
Intermediate	3	60	2	40	5	3	60	2	40	5	2	40	3	60	5
Graduation	70	89	9	11	79	71	90	8	10	79	67	85	12	15	79
Post-Graduation	103	88	14	12	117	88	75	29	25	117	95	81	22	19	117
Total	184	88	26	12	210	166	79	44	21	210	171	81	39	19	210
	χ^2	15.87	df 4	p	0.00	χ^2	4.89	df 4	p	0.30	χ^2	8.70	df 4	p	0.07

traditional media and the remaining 12 percent do not use. 70 percent of the MSME owners who are into Service sector use traditional media, and 30 percent do not use. 90 percent of MSME owners who are into manufacturing sector said that they use digital media and the remaining 10 percent do not use. 85 percent of the MSME owners who are into Service sector usedigital media, and 15 percent are not using.83 percent of the MSME owners who are into manufacturing sector said that they use social media and the remaining 17 percent do not use. 80 percent of the MSME owners who are into services said that they use social media and rest 20 percent do not use social media (Table 6).

Eighty-four percent of MSME owners from Micro-classification said that they use traditional media and the remaining 16 percent do not use. 78 percent of MSME owners from small-classification said that they use traditional media and the remaining 22 percent do not use. 65 percent of MSME owners from medium-classificationsaid that they use traditional media and the remaining 35 percent do not use. 85 percent of MSME owners from micro-classification said that they usedigital media and the remaining 15 percent do not use. 91 percent of MSME owners from small-classification said that they usedigital media and the remaining 9 percent do not use. 88 percent of MSME owners

from medium-classification said that they usedigital media and the remaining 12 percent do not use. 83 percent of MSME owners from micro-classification said that they usesocial media and the remaining 17 percent do not use. 82 percent of MSME owners from small-classification said that they usesocial media and the remaining 18 percent do not use. 73 percent of MSME owners from medium-classification said that they usesocial media and the remaining 27 percent do not use (Table 8).

Eight-one percent of MSME owners who are sole proprietors said that they use traditional media and the remaining 19 percent do not use. 70 percent of the MSME owners who are in a partnership use traditional media, and 30 percent do not use. 81 percent of MSME owners who are directors of private limited firms said that they use traditional media and the remaining 19 percent do not use.86 percent of MSME owners who are sole proprietors said that they use digital media,and the remaining 14 percent do not use. 84 percent of the MSME owners who are in a partnership use digital media, and 16 percent do not use. 93 percent of MSME owners who are directors of private limited firms said that they use digital media and the remaining 7 percent do not use. 79 percent of MSME owners who are sole proprietors said that they use social media and the remaining

Table 6: Type of firm and Usage of Media

Firm Type	Traditional Media					Digital Media					Social Media							
	Yes	%	No	%	Total	Yes	%	No	%	Total	Yes	%	No	%	Total			
Manufacturing	94	88	13	12	107	96	90	11	10	107	89	83	18	17	107			
Service	72	70	31	30	103	88	85	15	15	103	82	80	21	20	103			
Total	166	79	44	21	210	166	79	44	21	210	171	81	39	19	210			
	χ^2	9.40	df	1	p	0.02	χ^2	0.50	df	1	p	0.48	χ^2	0.90	df	1	p	0.34

Table 7: MSME Classification and Usage of media

MSME Classification	Traditional Media					Digital Media					Social Media							
	Yes	%	No	%	Total	Yes	%	No	%	Total	Yes	%	No	%	Total			
Micro	78	84	15	16	93	79	85	14	15	93	77	83	16	17	93			
Small	71	78	20	22	91	83	91	8	9	91	75	82	16	18	91			
Medium	17	65	9	35	26	22	85	4	15	26	19	73	7	27	26			
Total	166	79	44	21	210	184	88	26	12	210	171	81	39	19	210			
	χ^2	4.29	df	2	p	0.12	χ^2	1.91	df	2	p	0.39	χ^2	1.37	df	2	p	0.34

Table 8: Ownership type and usage of media

Ownership Type	Traditional Media					Digital Media					Social Media							
	Yes	%	No	%	Total	Yes	%	No	%	Total	Yes	%	No	%	Total			
Sole Proprietary	82	81	19	19	101	87	86	14	14	101	79	79	22	22	100			
Partnership	26	70	11	30	37	30	81	7	19	37	31	84	6	16	37			
Private Ltd	58	81	14	19	72	67	93	5	7	72	61	85	11	15	72			
Total	166	79	44	21	210	184	88	26	12	210	171	81	39	19	210			
	χ^2	9.40	df	2	p	0.02	χ^2	0.50	df	2	p	0.48	χ^2	0.90	df	2	p	0.34

Table 9: Years in Business and Usage of media

Years in Business	Traditional Media					Digital Media					Social Media				
	Yes	%	No	%	Total	Yes	%	No	%	Total	Yes	%	No	%	Total
0 to 5 years	69	84	13	16	82	73	89	9	11	82	70	85	12	15	82
6 to 10 years	40	74	14	26	54	46	85	8	15	54	44	81	10	19	54
11 to 15 years	22	85	4	15	26	25	96	1	4	26	22	85	4	15	26
16 to 20 years	11	73	4	27	15	12	80	3	20	15	12	80	3	20	15
Above 20 years	24	73	9	27	33	28	85	5	15	33	23	70	10	30	33
Total	166	79	44	21	210	184	88	26	12	210	171	81	39	19	210
	χ^2	3.67	df 4	p	0.45	χ^2	3.22	df 4	p	0.52	χ^2	4.03	df 4	p	0.40

22 percent do not use. 84 percent of MSME owners who are into partnership firms said that they use social media and the remaining 16 percent do not use social media. 81 percent of the MSME owners who are directors of private limited firms said that they use social media and the remaining 19 percent do not use (Table 9).

Eighty percent of MSME owners in the group of 0 to 10 years in the business said that they use traditional media, remaining of the 20 percent said that they do not use. 77 percent of MSME owners in the group of 11 to more than 20 years in the business said that they use traditional media, the remaining 23 percent said that they do not use. 87.5 percent of MSME owners in the group of 0 to 10 years in the business said that they use digital media, and 12.5 percent of them do not use. 88 percent of MSME owners in the group of 11 to more than 20 years in business use digital media, 12 percent of the MSME owners do not use. 84 percent of the MSME owners in the group of 0 to 10 years in business use social media, and 16 percent do not use. 77 percent of the MSME owners in the group of 11 to more than 20 years in business use social media, and 23 percent do not use social media.

Discussion and Conclusion

The primary objective of this study was to do an empirical study and understand the usage of traditional, digital and social media promotional tools of the MSMEs by examining the impact of demographic aspects of MSME owners such as gender, age, education and business aspects such as the type of firm, classification of the firm, age of the firm and type of ownership.

The findings of the research are:

1. There is a significant relationship between gender and usage of traditional media.

2. There is a significant relationship between education and usage of traditional media.
3. There is a significant relationship between the type of firm and usage of traditional media.
4. There is a significant relationship between Type of ownership and usage of traditional media.

Interestingly all the significant relationships fall under the usage of traditional media. No significant relationships were found in the usage of digital media or usage of social media. A vast majority of female MSME owners are using traditional media and social media compared to male MSME owners. Male MSME owners are using more of digital media than the female MSME owners. Even though there is no statistically significant relationship between age and usage of media, it is observed that more than 80 percent of the MSME owners in the age group of 25 to 54 are using traditional, digital and social media as well. There is a statistically significant relationship between education and usage of media this means that education is an essential factor in usage of media.

Further, the finding reveals that there is a statistically significant relationship between the type of firm and usage of media it is observed that the MSME owners who are into manufacturing are using significantly more of traditional, digital and social media when compared to those MSME owners who are into services.

Next, even though there is no statistically significant relationship between MSME Classification and usage of media, MSME owners belonging to micro-classification are using more of traditional media and social media than MSME owners belonging to small and medium classifications. MSME owners belonging to that small classification are using digital media more than the rest of the two.

There is a statistically significant relationship between the type of ownership and usage of media. It is observed that MSME owners who are sole

proprietors and directors of private limited companies are using traditional media more than those who are running partnership firms. It is further observed that 93 percent of the MSME owners who are directors in private limited companies are using digital media more than the rest of the two categories. While both MSME owners owning partnership and private limited companies are using more of social media than those, who are sole proprietors. The reason could be the fact that in sole proprietary the entrepreneur has to look into all the aspects of business while in partnership and private limited firms the work load could be shared.

Another interesting fact is that 85 percent of those MSME owners who are in 11-15 years in the business group is using traditional, digital and social media more than others. The possible reason could be that the MSME owners must have seen ups and downs of business cycles and out of their experience learned the art of balancing between the usage of traditional, digital and social media. However, the MSMEs who are using traditional, digital and social media for promoting their business, are more inclined towards usage of digital media, as they find the digital media is generating most of the leads and sales conversions.

Even though MSMEs have created social media accounts, there seems to be a gap between actual usage and potential usage of social media (Jarvinen, Tollinen, Karjaluo, & Jayawardhena 2012). The researcher after having personal interactions with the MSME owners feels that the MSMEs owners create Facebook pages, Twitter handles and Youtube channels, but in practice, they are not frequently updated, the reason that was mentioned was the paucity of time. Further research needs to be carried out to understand the motivation of the MSME owners to use social media actively.

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Factors Influence Job Satisfaction of Bank Employees: An Internal Marketing Outlook

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Abstract

Internal marketing is a continuous process of service organizations to motivate and empower the employees. It would help the companies to deliver the quality services consistently to the customers and to witness satisfaction of customer experiences. Apart from marketing strategies of companies, the role of employees at the front line would carry a powerful emotion that would communicate the customers about the service intentions. However, employees would influence by several factors during their performances with a service orientation. Hence, this paper discussed such factors and revealed the influence of those factors on job satisfaction of bank employees in India.

Keywords: Job Satisfaction; Customer Experiences; Service Intentions; Front Line Employees.

Introduction

In services industry customer satisfaction levels revealed during what we like to call the “moments of truth” where the customer would contact with a front-line employee of the firm. This made the interaction between people within the organization and the external customers more important and vital. In these kinds of situations, the measurement of employee satisfaction and customer service quality is a challenging task to several companies. To overcome this challenge companies would focus on internal marketing activities which come across three stages such as attract appropriate employees as contact persons and in management positions, retain good and appropriate employees, and influence and motivate employees in order to make them customer oriented and market oriented as well. The logic behind this focus was service organizations need satisfied

and motivated employees in order to provide consistent quality in their service to customers.

Suffice to mention that banking is highly customer oriented service industry therefore the customer is the focus and customer service is the differentiating factor. Frontline employees must be in a position to understand the customers’ requirements as they play a major role in satisfying their customers. In this context, this paper was mainly addressed the factors that would influence the employees’ job satisfaction with reference to banking sector of India.

With this introduction, the very next section of this article briefed on Indian banking sector and the reforms in the sector followed by conceptual dialog on internal marketing in banking sector, the factors effect the job satisfaction of bank employees, and conclusion.

Banking Reforms in India

Traditionally, banking had been restricted from private participation in India and public sector banks had been enjoying complete protection. This scenario has changed since 1990s. The decade of 1990s witnessed a vast change in the working of the banking sector. The entry of technology has made a tremendous impact and revolutionized the working style of many public sector commercial banks of India by introducing ‘anywhere banking’ and ‘anytime banking’ to meet the emergent customer needs.

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However, the banking industry in India, like many other financial service industries, is facing unprecedented set of challenges such as a quickly changing market, new technologies, economic uncertainties, fierce competition with more demanding customers and the changing climate. Hence, the industry was highly regulated to face the dynamics emerging in the financial sector globally. Although a series of reforms were undertaken from 1985 onwards, the first phase of comprehensive reforms in banking sector were undertaken in June 1992 by implementing the recommendations of the Narasimham Committee in 1991 on the Indian financial system which was laid under the purview of Reserve Bank of India (RBI).

Since then despite the competition today Indian banking has come a long way in terms of complexity of operations and the elaborateness of the structure. Moreover, Indian banking system, the way it has evolved, has come to acquire certain peculiarities of its own that did not found in the banking systems of other countries. Because the Indian banking structure comprises a heterogeneous mass covering a wide spectrum ranging from the unorganized indigenous bankers at the one end to the overseas banks at the other.

Internal Marketing of Banks

It has become more and more important for service organization like banks to differentiate themselves from their opponents by effectively offering a high quality service with the support of an efficient and strong workforce. Therefore, banks to be more successful are needed to understand the role of its employees in monitoring and managing services that lead to customer satisfaction. However, the shift towards recognizing the importance of human capital in the wake of banking reforms across the world has also led many companies across the globe to change their paradigms about people management.

The history revealed that people with right competencies in the right job not only bring increased productivity and profitability to the service organizations but also satisfied customers. Therefore, the role of employees in the growth and development of a service organization cannot be overemphasized. The effective adaptation of customer centric philosophy is possible only when employees are involved, motivated and satisfied. This philosophy recently recognized throughout the world as an internal marketing of companies.

Within this framework, satisfying the needs of customers of banks at the accurate time in a proper

manner is possible only when the employees must be in a position to understand the customers' requirements and recommend various schemes for better customer services. However, in banking industry the frontline employees would play a major role in interacting with the customers. In this context, this paper focused on the realization of the internal marketing factors that lead to job satisfaction of employees in banking sector of India.

Factors Influence Job Satisfaction of Bank Employees

Following factors of internal marketing would affect the job satisfaction of bank employees.

1. *Type of work* – this would refer to kind of work doing by employees in banks. The nature of job can be repetitive or changing, creative or monotonous, easy or difficult. However, jobs that are both motivating and satisfying were to be those that facilitate skill variety, task identity, task significance, and autonomy.
2. *Development of job skills* – this was about acquisition of knowledge and skills and attitudes to enhance the performance of employees over the time. The systematic development of the skills and expertise is required to effectively perform a given task or job.
3. *Career orientation* – this was an argument of promotional opportunities that have great impact on level of job satisfaction. Usually the organization guidelines and their fair implementation would provide the employees' chances for promotion.
4. *Workplace ambience* – this would focus on working conditions that are the actual constrains under which workers perform their tasks, after they have been recruited and placed on the job. Such working conditions would depend on hours of work, availability of resources such as workspace, machines, tools, lighting, air conditioning and certain minimum necessities to the employees at their work place.
5. *Collegial relationships* – this factor emphasize the supervisory support that have been linked with encouragement and maintaining a positive contribution to the subordinate's career development. It reflects the relationship management and employees' knowledge sharing for enhancing a close relationship between superiors and colleagues to improve teamwork settings.
6. *Coordination in peer groups* – this is to make a working culture with a pleasure or pleasant place to spend your time. Coworker support refers to

co-workers assisting one another in their tasks when needed by sharing knowledge and expertise encouragement and support as well.

7. *Identity* – this is about acknowledgement of individual contribution and showing appreciations to reward the individual for accomplishment of work or for good performance. It is about making the employees feel appreciated by their co-workers and superiors for their contributions to the organization.
8. *Benefits* – it refers to the amount of financial reward that an individual receives as well as the extent to which such compensation would perceive to be equitable. Compensation and earnings are a cognitively complex and multidimensional factor in job satisfaction. Because, salaries not only support people to attain their basic needs but also instrumental in satisfying the higher-level needs of employees.
9. *Counseling* – it refers to the degree to which the employee carrying out the work activities as anticipated and the information obtained about the effectiveness of his or her performance.
10. *Purpose of job* – this is about the orientation or the degree to which an organization or its employees focus their efforts on understanding and satisfying customers. It mainly refers to employees chance to be of service to people, handling the definite needs and wants of customers, response given to customer enquiries, prompt service given to customers, and handling customer complaints.

Conclusion

This paper aims to identify the internal marketing factors that bring job satisfaction among the employees in banking sector. It tries to highlight the various factors that would influence the internal marketing activities of banks more specifically about job satisfaction of bank employees. About ten factors were identified that would influence the employees satisfaction in their jobs such as type of work, development of job skills, career orientation, workplace ambience, collegial relationships, coordination in peer groups, identity, benefits, counseling, and the purpose of job. This discussion in this article on the selected factors is helpful to the bankers to enhance the satisfaction of employees as well as customers. Further research can focus on perceptual studies of internal customers on these stated factors.

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Powerful Influence of Organizational Culture on Employee Suggestion Systems in Ensuring Corporate Success

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Abstract

Organizational Culture includes the organization values, visions, norms, working language, systems, symbols, beliefs and habits. Organizational culture affects the way people and groups interact with each other, with clients, and with stakeholders. The research examines a variety of dimensions of employee performance. The data used in this study came from an employee suggestion systems survey conducted. The findings of the survey coupled with existing literature allowed the researchers to make recommendations to increase employee performance and ultimately increase employee productivity. The recommendations are increasing team building trainings, conducting an organizational culture inventory, increase recognition, and implementation of 360 degree evaluations of all employees. The study investigated the various strategies for organizational culture and support and its effect on workers performance. Eight (8) organizations were selected by simple random sampling technique. They were stratified into three (3) public sector and five (5) private service organizations. Through proportional allocation method of the stratified sampling technique, a total of 60 respondents were selected. Questionnaires were either self-administered or through the face-to-face interview. Both descriptive and inferential statistics were used in the analysis.

Keywords: Employees Suggestions; Workers Performance; Organizational Culture; Job Analysis; Job Satisfaction.

Introduction

Organizational culture is the behavior of humans who are part of an organization and the meanings that the people attach to their actions. Robert A. Cooke defines culture as the behaviors that members believe are required to fit in and meet expectations within their organization. When one views organizational culture as a variable, one takes on the perspective that culture is something possessed by an organization? Culture is just one entity that adds to the organization as a whole. Culture can be manipulated and altered depending on leadership and members.

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Healthy organizational cultures

Organizations should strive for what is considered a "healthy" organizational culture in order to increase productivity, growth, efficiency and reduce counterproductive behavior and turnover of employees.

A variety of characteristics describe a healthy culture, including:

- Acceptance and appreciation for diversity
- Regard for and fair treatment of each employee as well as respect for each employee's contribution to the company
- Employee pride and enthusiasm for the organization and the work performed
- Equal opportunity for each employee to realize their full potential within the company
- Strong communication with all employees regarding policies and company issues
- Strong company leaders with a strong sense of direction and purpose

- Ability to compete in industry innovation and customer service, as well as price
- Lower than average turnover rates (perpetuated by a healthy culture)
- Investment in learning, training, and employee knowledge.

Need for the Study

Ravasi and Schultz (2006) state that organizational culture is a set of shared mental assumptions that guide interpretation and action in organizations by defining appropriate behavior for various situations. At the same time although a company may have their "own unique culture", in larger organizations, there is a diverse and sometimes conflicting cultures that co-exist due to different characteristics of the management team. The organizational culture may also have negative and positive aspects. Schein (2009), Deal & Kennedy (2000), Kotter (1992) and many others state that organizations often have very differing cultures as well as subcultures.

Research Objectives

The primary objective of this study is to assess the impact of organizational culture on employee suggestions are as follows:

1. To ascertain if organizational culture affects employee suggestions systems.
2. To determine empirically the relationship between organizational culture and employee suggestions systems.
3. To formulate recommendations regarding organizational culture and employee suggestions systems.

Scope of the Study

The study was carried out by taking a sample size of 60 employees of public and private sectors has presented a holistic conceptual framework of organizational culture and its impact on employees' suggestions systems and subsequent job performance and retention.

Research Methodology

A structured questionnaire, using Likert five-point rating scale was prepared, which was administered

as a schedule. A systematic variation in the organizational culture and employee suggestions systems was found between workplaces, and the variation in job analysis was attributed to several organizational levels. Organizational characteristics of workplaces have an impact on the working environment and thereby participation of employees.

Literature Review

Organizations are known for their unique cultures. With globalization there has been a plethora of changes in the working patterns. The old concept of bureaucratic organizations has given place to participative management style where employees are encouraged to give their expert opinions and take independent decisions. Human Resources Department plays a pivotal role in bringing major changes in the working style of an organization. As human resource activities grow in scope and complexity, many human resource practices such as recruitment and selection, compensation, performance management, career planning, training and development and rewards are delegated to the Human Resource department. Organizational culture defines the way employees complete tasks and interact with each other in an organization. The cultural paradigm comprises various beliefs, values, rituals and symbols that govern the operating style of the people within a company. Corporate culture binds the workforce together and provides a direction for the company. In times of change, the biggest challenge for any organization may be to change its culture, as the employees are already accustomed to a certain way of doing things.

Types

The dominant culture in organizations depends on the environment in which the company operates the organization's objectives, the belief system of the employees and the company's management style. Therefore, there are many organizational cultures. For example, highly bureaucratic and well-structured organizations typically follow a culture with extensive controls. Employees follow standard procedures with a strict adherence to hierarchy and well-defined individual roles and responsibilities. Those in competitive environments, such as sales, may forgo RICT hierarchies and follow a competitive culture where the focus is on maintaining strong relationships with external parties. In this instance, the strategy is to attain competitive advantages over the competition. The collaborative culture is yet

another organizational way of life. This culture presents a decentralized workforce with integrated units working together to find solutions to problems. Collins and Porras, 2000 identified that organizational culture always refers to a system of shared meaning held by members of the society that distinguish one organization from other organizations. The members believe that these shared meanings are a set of key characteristics, and that the organization values and the essence of an organization’s culture can be captured indifferent basic characteristics. Of these characteristics, some are: (1) Innovation and risk taking which characterizes the degree to which employees are encouraged to be innovative and take risks while

performing their duties; (2) Attention to detail which identifies the degree to which employees are expected to exhibit precision analysis and attention to detail; (3) Outcome orientation refers to the degree to which management focuses on results or outcomes rather than on the techniques and processes used to achieve those outcomes; (4) People orientation focuses on the degree to which management decisions take into consideration the effect of outcomes on people within the organization; (5) Team orientation discusses the degree to which work activities are organized around teams rather than individuals.

Materials and Methods

Table 1: Details of the respondents

Variables (n=60)	Number	%
Public sector	30	50
Private sector	30	50
Total	60	100

Sample

For the present study a sample consisting of 3 public sector organizations and 3 private sector organizations have been selected. Sample size includes 60 employees [30 from public sector and 30 from private sector] constituted the sample on the basis of incidental sampling technique. The age ranges from 30 – 50 years. The study is limited to respondents selected from Hyderabad.

Tools used

The tools used for hypothesis testing Karl Pearson’s Coefficient Correlation. Research hypothesis states

that organizational culture is not positively related to employee suggestions systems. The null hypothesis, which is assumed to be true until proven wrong, is that there is really no relation between these two parameters.

Hypotheses

H₀: Organizational culture is not positively related to employee suggestions systems.

H₁: Organizational culture is positively related to employee suggestions systems.

Results

Table 2: Organizational culture Constructs: Mean and Standard Deviation of Employees Agreeing and Disagreeing.

S. N.	Organizational culture Constructs	Mean	SD
1	Do you agree management believes that employees are the most important asset of firm?	4.1	0.40
2	Do you agree employees are constantly watched to assure that rules and procedures are followed?	4	0.63
3	Do you agree employees share a pride in their work?	4.5	0.54
4	Do you agree organization has a code of professional conduct that employees are expected to follow?	4.1	0.75
5	Do you agree management encourages creativity, innovation, and continuous improvement among staff?	3.8	0.40

Table 3: Organizational culture Constructs: Frequency and Percentage of Employees Agreeing and Disagreeing

S. N.	Organizational culture Constructs	SDA	DA	N	A	SA
1	Do you agree management believes that employees are the most important asset of firm?	0	0	0	0	1
2	Do you agree employees are constantly watched to assure that rules and procedures are followed?	0	0	1	4	1
3	Do you agree employees share a pride in their work?	0	0	0	3	3
4	Do you agree organization has a code of professional conduct that employees are expected to follow?	0	0	1	3	2
5	Do you agree management encourages creativity, innovation, and continuous improvement among staff?	0	0	1	5	0

Table 4: Employee Suggestions Systems.Constructs: Mean and Standard Deviation of Employees not sure and saying yes

S. N.	Employee Suggestions Systems Constructs	Mean	SD
1	Does your organization have a steady, uninhibited flow of improvement ideas from employees?	4	1.09
2	Do you regularly give improvement ideas that effect the bottom line of your organization?	4	0.89
3	Are you confident that employees are actively searching for improvement ideas and otherwise thinking about ways to increase productivity, quality and customer satisfaction?	4.6	0.51
4	Do employees fully utilize their creative and analytical abilities to generate workable improvement ideas?	4.5	0.83
5	Are you confidential that potentially useful ideas are never stifled by employees or supervisors?	4.5	0.54

Table 5: Employee Suggestions Systems.Constructs: Frequency and Percentage of Employees not sure and saying yes

S. N.	Employee Suggestions Systems.Constructs	NS	N	RA	OF	Y
1	Does your organization have a steady, uninhibited flow of improvement ideas from employees?	0	1	0	3	2
2	Do you regularly give improvement ideas that effect the bottom line of your organization?	0	0	2	2	2
3	Are you confident that employees are actively searching for improvement ideas and otherwise thinking about ways to increase productivity, quality and customer satisfaction?	0	0	0	2	4
4	Do employees fully utilize their creative and analytical abilities to generate workable improvement ideas?	0	0	1	1	4
5	Are you confidential that potentially useful ideas are never stifled by employees or supervisors?	0	0	0	3	3

Discussions

This presents the research findings and discussion of the results with reference to the specific research objectives.

Impact of Organizational Culture on Employee Suggestions Systems

The study sought to find out the impact of organizational culture on employee suggestions systems. The results obtained were as shown in figure below.

As shown in the figure 1, 0% of respondents strongly disagree and 0% disagree their organizational culture is not efficient. 10% are neutral and 43.3% strongly agree. A majority of 46.6% agree that their organizational culture is efficient in encouraging employee suggestions.

As shown in figure 2, 0% of the respondents are not sure whether employees suggestions systems are accepted or not. 3.3% gave response as no. 10% of respondents are neutral in their views. 36.6% gave response as oftenly. A majority of 50% of the respondents say yes their organizations do accept employee suggestions systems. The below figure shows the Pearson correlation between organizational culture and employee suggestions systems.

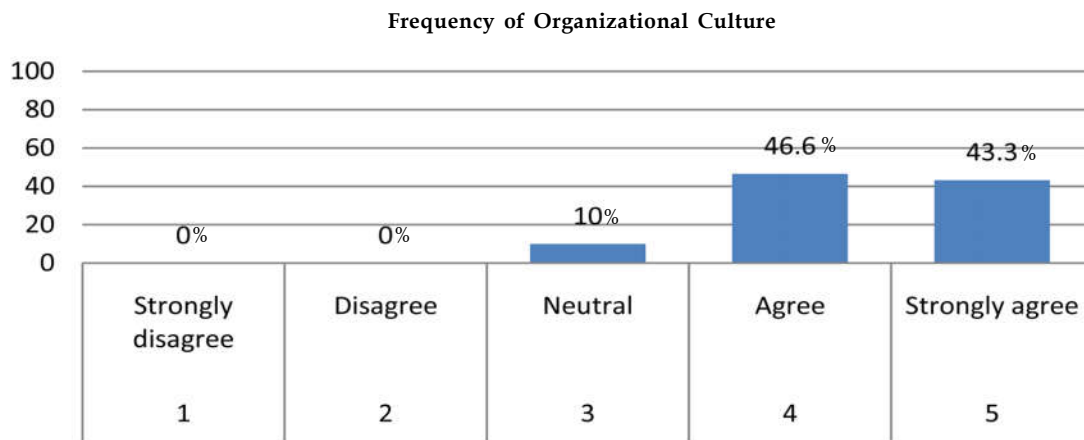


Fig. 1:

Table 6:

S. N.	Factor	Frequency	%
1	Strongly disagree	0	0
2	Disagree	0	0
3	Neutral	3	10
4	Agree	14	46.6
5	Strongly agree	13	43.3
Total		30	100

Table 7:

S. No.	Factor	Frequency	%
1	Not sure	0	0
2	No	1	3.3
3	Rarely	3	10
4	Oftenly	11	36.6
5	Yes	15	50
Total		30	100

Frequency of Employee Suggestions Systems

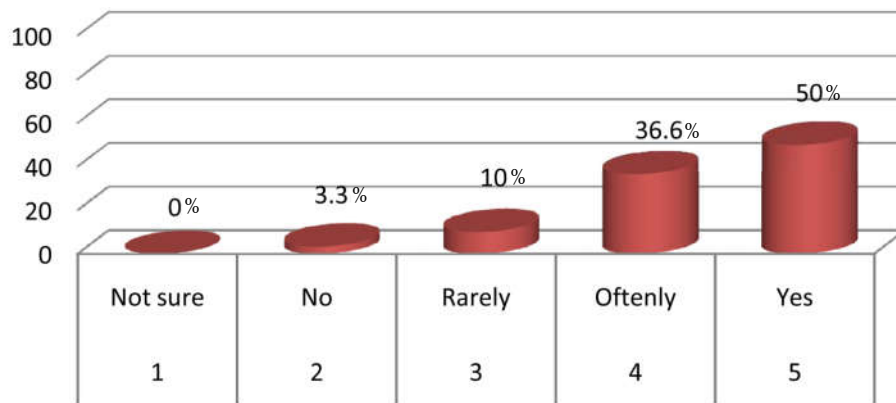


Fig. 2:

Table 8: Pearson Correlation Between Organizational Culture and Employee Suggestions Systems

S. N.	X	Y	X ²	Y ²	XY
1	26	24	0.36	4	1.44
2	25	24	0.16	4	0.64
3	24	28	0.16	4	0.64
4	27	27	2.56	1	2.56
5	25	27	0.16	1	0.16
	ΣX = 127	ΣY = 130	Σx ² = 3.4	Σy ² = 14	Σxy = 5.44

$$r_{xy} = \frac{n\sum XY - \sum X \sum Y}{\sqrt{[n\sum X^2 - (\sum X)^2][n\sum Y^2 - (\sum Y)^2]}} \quad r=0.795$$

1. Coefficient of determination = $0.795 \times 0.795 = 0.63$ [r²]
2. Coefficient of non-determination = $1 - 0.63 = 0.37$ [1 - r²]
3. Determination of alienation = $0.37 = 0.608$ ["1 - r²"]
4. Significance of correlation = P.E. = $0.6745 \times 1 - r^2 / \sqrt{N} = 0.6745 \times 0.37 / 2.23 = 0.11$

$0.79 > 0.11$; $r > 6P.E$; Coefficient of correlation is certain; r is significant. The value 0.795** shows the correlation is significant at 0.05 level. There is a significant association between Organizational culture and employee suggestions systems. Hence, H₀ is rejected. H₁ is accepted.

Recommendations

The study revealed that recognizing employees for their suggestions is important if we want to create an

engaged culture in our organization and encourage more ideas. However, it is important to know *how* one should recognize employees for their suggestions. There are many great ways to recognize employees, but money is not one of them. Employees want their good work to be acknowledged and appreciated, with more than just money. Responding and acting on employee suggestions will engage employees and encourage them to submit more helpful ideas. Acting on them will also show employees that their suggestions are taken seriously and want to use them to improve organization.

Conclusion

Many of employees probably have similar suggestions, so encourage employees to work on others' suggestions to improve them. Let employees provide feedback on other employees' suggestions to help expand upon those suggestions. Allowing employees to provide feedback on others' suggestions can also encourage participation in submitting suggestions. This can help manager to understand the organization more and his employees' needs. He will gain more insight from his employees. The study showed results in terms of organizational culture and employee suggestions systems. Pearson correlations signified that the organizational culture is positively related to employees' suggestions systems in the members of public sector and private sector organizations. Organizational culture and support strategies will impact positively on workers' performance. This enhances the employee contributions to the success of the organization.

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Risk Management in the Banks: An Analysis

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Abstract

The goal of risk administration isn't to preclude or anticipate risk taking, however to guarantee that the risks are intentionally taken with full learning, clear reason and seeing so it can be estimated and moderated. In the event that a bank can go for broke all the more deliberately; envision unfriendly changes and could support likewise; Risk Management turns into a well spring of upper hand, as a bank can offer its items at a superior cost than its rivals. For planning viable Risk Management methodologies, we have to create different Risk Management Committees like Credit Policy Committee, Asset Liability Management Committee, and a proficient Management Information System. Other than this, a goal and dependable information base must be developed for which bank needs to dissect its own past execution information identifying with advance defaults, exchanging misfortunes, operational misfortunes, and so forth., and turn out with benchmarks in order to set themselves up for the future risk administration exercises. In light of these realities the present paper presents the idea of Risk Management, its segments and the related issues. It at that point evaluates the different Risk Management systems being taken after and the methodologies proposed and actualized by banks world over and which are additionally in accordance with the Basel Committee suggestions. The information utilized, has been gathered from auxiliary sources. The majority of the data was gathered from productions of different National and International Organizations. The data gathered has been grouped and investigated for research.

Keywords: Risk Management; Banking.

Introduction

The banks in India have been truly in the trap of consistently rising Non-Performing Assets for quite a while. This has prompted a considerable lot of the banks playing a wary amusement by putting resources into the most secure endeavors, subsequently limiting risk. Be that as it may, benefitting without presenting to risk resembles attempting to live without being conceived. Development and improvement of any business association relies upon its risk administration and

benefit producing limit. Subsequently risk isn't to be kept away from yet to be overseen. Both risk and benefit have time measurement, which drives us to future projections. These future projections have a component of vulnerability since future isn't generally splendidly unsurprising. This component of vulnerability offers ascend to risk, which, thusly, influences benefits. For guaranteeing long haul survival of banks, the risk measurement of managing an account must be tended to fittingly. The significance of risk administration in the present day managing an account industry is gotten from the expanding challenges reserved by the deregulation and progression of the money related framework.

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Study of Literature

Culbertson propounded the hypothesis of 'Term structure of Interest Rates' which was a short time later also called the hypothesis of 'Risk Averseness'.

As indicated by the hypothesis the most ideal approach to limit risk is to coordinate developments of advantages and liabilities or to coordinate developments with holding periods. On the off chance that a moneylender knows precisely to what extent his cash will be accessible for venture, he can choose the development date of the claim such that he runs neither the pay risk nor the capital risk.

Summon Kumar Bhaumick and Jenifer Piesse have created a perfect work of art take a shot at risk revolution by banks. Their examination is an eye washer which demonstrates that private proprietorship, albeit regularly may enhance allocative effectiveness as against people in general segment banks, typically thought to be less productive, in the credit showcase, it might be impeding to credit disbursal, if the risks related with this are fundamentally high. Likewise remote banks will take critical exposures to the Indian borrowers, they are probably going to limit their introduction to blue chip borrowers and not misuse the maximum capacity of the assets, including delicate quality of administrative requirements, available to them. Significantly, the aftereffects of both this paper and Bhaumik and Dimova (2004) demonstrate that the local all over again banks outflank the others concerning both productivity and specialized effectiveness as for credit disbursal.

Risk Management and Related Issues

Risk Management is the helpful control of risk levels in order to restrict the drawback impact of the hidden activity inside the capacity and ability to hold up under this impact, while enhancing the profits from the activities for which the risk is accepted. Risk Management is tied in with overseeing risk and not killing it. The primary goal of Risk Management is 'Introduction by Choice and not by Chance'. It includes the setting down and consistence of risk strategies, setting up of control and observing instruments, setting up risk mitigates, upgrading risk remuneration, putting aside cash-flow to meet sudden misfortunes, and so on. The procedure incorporates the use of measurable and scientific models, other than subjective investigative methods.

Approaches to Risk Management

One could approach risk in a latent, receptive, intuitive or proactive way. Quickly these could be compressed as:

- Inactive risk administration: when the bank just disregards the thought of risk issues by any stretch of the imagination. The bank does not try to address or even worry about the likelihood that things may not turn out as was proposed. This situation isn't as implausible as no doubt. Indeed, even today, there are various banks which don't have a formal framework to manage such indispensable inquiries.
- Reactive risk administration: when there is a posthumous push to enhance the impacts of risk that have emerged. It at that point ends up being an emergency administration exertion.
- Interactive risk administration: This is the point at which the bank is worried about risk all through every one of its different life-cycles.
- Proactive risk administration: This is the point at which the bank designs and tries to figure risk potential and after that receives different measures that would control, to the degree conceivable, risk possibilities.

Components of Risk Management

- Risk recognizable proof
- Risk evaluation or estimation
- Risk control

Risk recognizable proof comprises of naming and characterizing every one of the risks related with an exchange or a kind of bank item or administration. In the wake of finishing the lattice for all results of administrations, one can read over a specific sort of risk, say, 'credit risk' push and can get a photo of items that are wellsprings of credit risk. The totality of credit risk might be named as a 'pool of risk'. Risk estimation alludes to estimation of the size, likelihood and timing of a potential misfortune under different situations. Resource obligation administration is a decent case of risk estimation and resource obligation investigation can give a gauge of the potential impact of the adjustments in the financing costs on the main issue of the banks. Risk control is looked on as the whole procedure of arrangements, methodology, and frameworks and establishment needs to oversee judiciously every one of the risks coming about because of its money related exchanges and to guarantee that they are inside the bank's risk craving.

Risk Management Measures

- Preventive measures, and
- Curative measures.

Preventive measures are principally pertinent for incomplete alleviation of credit risk and a few types of market risk. Appropriate choice of customers, reinforcing of free data accumulation frameworks for proposed borrowers, fortifying of evaluation framework, close confirmation of end-utilize, and so forth., are preventive measures of relief of credit risk.

Curative measures incorporate 'risk supporting' and 'risk sharing'. Supporting is a system by which risk is exchanged to a counter gathering. Banks and monetary organizations, the world over, utilize different types of subsidiary instruments like alternatives, prospects, swaps, and so forth, for risk

supporting. Risk sharing as a vital idea is utilized fundamentally in the event of financing framework and vast center division extends by banks and budgetary establishments, wherein the risks engaged with financing are shared by banks/FIs with different gatherings like development temporary workers, O and M contractual workers, input (fuel) providers, purchasers (SEBs), and so on., at various phases of the undertaking life cycle.

Banks in created nations make utilization of Standardized or Customized scientific models and procedures for risk administration. The institutionalized strategies utilized are:

Nature of Risk	Techniques Used
Credit Risk	Sensitivity Analysis Decision Tree Analysis Simulation
Market Risk	GAP Analysis Duration Analysis Duration GAP Analysis Value Risk Analysis

For Credit Risk Management, Sensitivity investigation is normally directed by most Indian Financial establishments. The choice tree and recreation systems convey change over the affectability method to the degree that while in the affectability procedure, the risk related variety of any of the key determinants is figured, the other two strategies endeavor to survey risk engaged with the credit proposition, should in excess of one key determinants fluctuate at the same time.

Market risk is tended to by a procedure known as "Resource Liability Management". A monetary foundation for the most part partitions its portfolio into two bits: (1) the exchanging segment and (2) the non exchanging segment.

Objectives of the Study

In light of the above certainties, it can be expressed that Risk Management is a basic piece of the budgetary framework and henceforth requires due weightage in the strategy arrangement for what's to come. However the present examination fundamentally is focused on two vital issues:

- To ponder the idea of Risk Management as a piece of Banking System and its parts.
- To think about the current methodologies hypothetically to Risk Management as being used universally and which are in accordance with the

Basel Committee proposals. This would help us to assemble a few benchmarks in the keeping money part division and would likewise carry us at standard with the worldwide level, subsequently giving us the quality of intensity.

Developments in Credit Risk Management

Risk administration and innovation: National Institute of Bank Management (NIBM), with its involvement in Information Technology and fund answers for the Banking business has proposed a Business-innovation demonstrate named as Enterprise Maturity Model which gives a structure to a staged presentation of the Executive Information System (EIS). The Enterprise Maturity Model has five layers with characterized business targets at each level beginning with expanding operational effectiveness and driving upto considerably more key goals like boosting riches and partner esteem.

The IT Strategies of a bank can go about as empowering agents in the accompanying three regions like

- Credit Information Systems
- Analytical Tools
- Level of work process mechanization

The goal of a Credit Information System is, to improve the estimation of information by giving exact

and auspicious data, in this manner altogether adding to better arranging and basic leadership on the credit portfolio. Credit Information Systems and Credit Risk Management Information Systems ought to be intended to defeat the issue of totaling information crosswise over different sources and specialty units.

Analytical Tools

At each phase of overseeing risk in the credit portfolio, various investigative devices should be utilized to upgrade the procedure of basic leadership. The graph beneath portrays a portion of the Analytical Models utilized as a part of Credit Risk Management.



Fig. 1: Stages in Credit Risk Management: Analytical Model and Benefit
 (Source: Introducing IT in Banks, NIBM Research Papers, 2002)



Fig. 2: Data Requirements for Credit Risk Management
 (Source: Introducing IT in Banks, NIBM Research Papers, 2002)

Integrated CRM Process



Fig. 3: Integrated CRM Process

Source: Integrating IT Strategies with Business Strategies, NIBM Research Papers, 2002

Internal Ratings for Credit Risk Management: Basel Accord

It is apparent that Basel has given much thought of the linkage between use for rating models and validation of internal ratings. The Basel Committee on Banking Supervision has brought unprecedented focus to issues relating to consistency and robustness of financial institutions’ internal credit risk system

management processes in its first consultative paper, A New Capital Adequacy Framework, in 1999.

Basel Committee listed a wide range of practices that were employed for the risk management of other product types. Basel classified these approaches into *judgmental, constrained expert systems, and statistical modeling.*

Fig. 4: Spectrum of Internal Rating Procedure

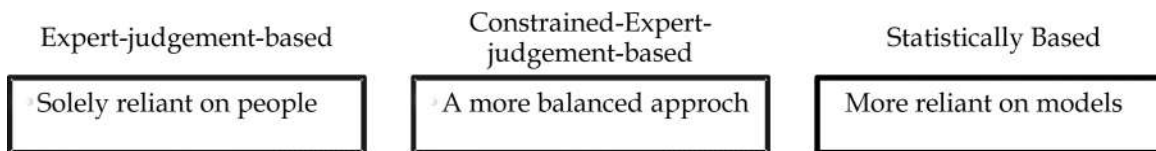


Fig. 5: Process Flow Diagram for Rating Model Development

Input Data	Model Generation	Model Validation	Model Sign-off	Model Validation
Key Risk Indicators Default Experience	Identity Components	Quantitative Assessment	Agreement in Rating Forum	Inclusion of New Data
Benchmarks (rated & unrated)	Explain Components	Expert Evaluation		Performance vs. Benchmarks

Source: Banks and Risk Management, CSFB, December, 2003

Market Risk Management and Asset Liability and Management

ALM can be characterized as ‘evaluating the effect of changing profile of different risks particularly showcase risk on the banks monetary record and currently modifying the structure of the advantage and risk portfolio to improve the benefit position of banks.’ Liberalization of financing costs and business exercises has expanded the loan fee affectability of banks’ advantages and liabilities in this way expanding the defenselessness of banks main concern on showcase rate changes. Resource Liability Administration is a key accounting report administration of risks caused by changes in the loan fees, trade rates and the liquidity position of the bank. The rules of RBI on ALM are fundamentally meant to empower banks to handle the liquidity risk and financing cost risk.

- The Maturity Model,
- The Duration Model, and
- The Repricing or the Funding Gap Model.

For liquidity risk administration, the benefits and liabilities of the bank are isolated into various gatherings in view of their development profile. In view of the development profile, the Statement of Structural Liquidity should be set up by the banks. What’s more, to screen the fleeting liquidity, the banks are required to set up the Statement of Short-term Dynamic Liquidity.

For dealing with the loan cost risk, the RBI rules recommend the Gap Analysis. In light of the affectability of the advantages and liabilities to the financing cost vacillations, they are grouped into various development cans. The Rate Sensitive Gap (RSG), which is the contrast between the rate touchy resources (RSAs) and the rate delicate liabilities (RSLs) empowers the banks to evaluate the effect of the rate variances on their net premium edge (NIM).

The three ways to deal with ALM rehearses took after by banks typically are:

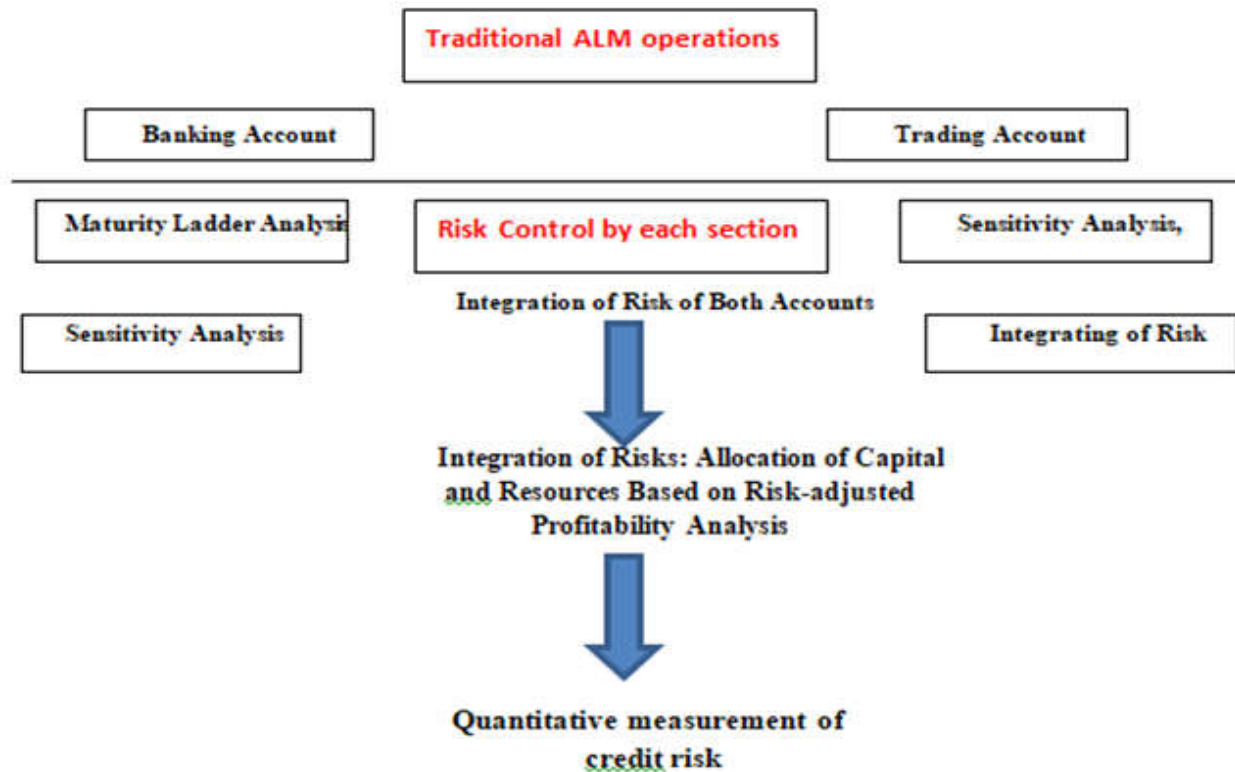


Fig. 6: Integrated and Active ALM Operation

Source: Integrating IT and Business Strategies, NIBM Research Papers, 2002

Conclusion

Risk Management enables banks in avoiding issues to even before they happen. In overseeing risks, the Board of Directors and Senior Management should assume a successful part by defining clear and exhaustive arrangements. The Risk Management System, which coordinates (i) reasonable risk limits, (ii) sound risk estimation methodology and data frameworks, and (iii) constant risk checking and visit announcing is said to be productive one. The distinct fascination taken by the Reserve Bank of India in this setting should be valued and bolstered at all levels.

There are different new perspectives to the risk administration which are taking the front line in the up and coming business and keeping money world. These arrangement with creating frameworks and techniques for dealing with appropriately and all the more wisely the different sorts of risks to maintain a strategic distance from any sort of misfortunes later on. Hardly any imperative angles related essentially to Credit Risk Management and Market Risk Management which have created and picked up significance in the current past have been broke down in this investigation. The significant issues secured

are: Risk administration and innovation: National Institute of Bank Management (NIBM), with its involvement in Information Technology and back answers for the Banking business has proposed a Business-innovation display named as Enterprise Maturity Model which gives a structure to a staged presentation of the Executive Information System (EIS).

Internal evaluations for Credit Risk Management-Basel Accord: It is clear that Basel has given much thoroughly considered the linkage between use for rating models and approval of interior appraisals. The Basel Committee on Banking Supervision has conveyed phenomenal concentration to issues identifying with consistency and heartiness of money related establishments' interior credit risk framework administration forms in its first consultative paper, A New Capital Adequacy System, in 1999. Development of a coordinated ALM for overseeing particularly the market risk: There has been a move far from a straightforward ALM activity in the tight sense to one which depends on loan fee expectations. It likewise analyzes the likelihood of an Integrated Risk Management System covering both Banking and Trading accounts.

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Bancassurance in India: A Study on Industry Outlook of Life Insurance

G.V. Abhinav Kumar¹, Swetha Chavali²

Abstract

A standout amongst the most earth shattering changes in the monetary administrations part finished the previous couple of years are the appearance and improvement of bancassurance. The present paper endeavors to discover the commitment of banks in the individual new business premium of private life safety net provider and LIC for recent years. Likewise, it centers around the different models enduring to bancassurance and its effect on the partners. The examination is graphic and exploratory in nature. Perception and optional information accumulation strategies are utilized as a part of the examination. Auxiliary information is gathered from IRDA and other important sites. The consequences of the investigation uncovered a developing pattern of bancassurance in the life coverage industry as it demonstrated in excess of three times development in the extra security premium. Low infiltration rate (3.2% in budgetary year 2013) demonstrates that regardless of consistently developing populace, real piece has not been secured under the protection area. This study utilizes information utilized as a part of the examination is an auxiliary information, gathered from different distributed sources i.e. diaries, magazine, distributed IRDA yearly reports with graphical representation of data through tables and graphs.

Keywords: Bancassurance; Bancassurance Models.

Introduction

A sound money related part is the foundation of solid economy. On one hand, it is the managing an account segment which is profoundly aggressive and then again the protection division which has a considerable measure of potential for development. The mix of these two divisions brings about an imaginative idea of "Bancassurance". The Insurance Industry as a monetary administration is considered as one of the vital portions in an economy for its development and improvement. Protection is a 'business of requesting' not at all like a regular managing an account benefit; it requires extraordinary drive to advertise the protection items.

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Historical Background of Insurance Industry

The Indian protection industry is as old as it is in some other piece of the world. The principal insurance agency was begun in India in 1818 at Kolkata. We had various outside and Indian safety net providers working in the Indian market till the nationalization of the business yet there were dishonest practices received by a portion of the players against the enthusiasm of the protection customers. The Government of India issued an Ordinance on 19 January 1956 nationalizing the Life Insurance division and Life Insurance Corporation appeared around the same time. The Life Insurance Corporation (LIC) consumed 154 Indian, 16 non-Indian safety net providers as likewise 75 provident social orders— 245 Indian and remote guarantors on the whole. In 1972 with the General Insurance Business (Nationalization) Act was passed by the Indian Parliament, and thus, General Insurance business was nationalized with impact from 1 January 1973. 107 safety net providers were amalgamated and gathered into four organizations, to be specific National Insurance Company Ltd., the New India Assurance Company Ltd., the Oriental Insurance

Company Ltd and the United India Insurance Company Ltd. The General Insurance Corporation of India was fused as an organization in 1971 and it start business on 1 January 1973. Nationalisation has loaned the business robustness, development and achieves which is un-paralleled.

Insurance in India

The Government of India, in 1994 designated a Committee under the Chairmanship of R. N. Malhotra, previous Governor of RBI to think about the requirement for private interest in the Insurance

business. The board of trustees announced that lone 22 for every penny of the Indian populace was protected. In light of the board of trustees report, the Government of India took vital activities to enhance the operational productivity of insurance agencies and protection infiltration also. The year 1999 got a striking change the Indian protection division, because of major auxiliary changes like closure of Government imposing business model and going of the Insurance Regulatory and Development Authority (IRDA) charge, unwinding all section confinements for private and outside players to go into the market.

Table 1: Registered insurer in India (As on 30thSeptember, 2013)

Types of Business	Public Sector	Private sector	Total
Life Insurance	1	23	24
General Insurance	6	21	27
Re-Insurance	1	0	1
Total	8	44	52

(Source: IRDA, Annual Report 2012-2013)

Concept of Bancassurance

Bancassurance is another popular expression in India. Bancassurance, i.e., banc + affirmation, alludes to banks offering the protection items. Bancassurance term initially showed up in France in 1980, to characterize the offer of protection items through banks. 'Bancassurance' as term itself clears the significance. It's a blend of the term 'Bank' and 'Protection'. It implies that insurance agencies have begun offering their items through banks. It's another idea to Indian budgetary market yet it is broadly utilized as a part of western and created nations. It began in India in the year 2000 when the Government issued warning under Banking Regulation Act which enabled Indian Banks to do protection appropriation. It began grabbing after Insurance Regulatory and Development Authority (IRDA) passed a warning in October 2002 on 'Corporate Agency' directions.

"Bancassurance is the way toward utilizing a bank's client connections to offer life and non-life coverage items".

With the opening up of this area to private players, rivalry has turned out to be more exceptional and the general population division major LIC has been tested with a surge of new items and new methods for advertising. Protection industry in India has been advancing at a fast pace since opening up of the segment to the section of privately owned businesses in 2000. Banks are being utilized as a powerful exchange channel to appropriate protection items

either as 'remain solitary protection items' or 'additional items to the bank items' by method for joining the protection with run of the mill saving money items/administrations.

Study of Literature

Bergendahl, Goran (1995) Developed standards for banks that need to assess the appropriation of extra security and in addition non-disaster protection items and recognize key components for gainfulness. Broke down the expenses of preparing work force, the expenses of PCs and correspondence, the settled and variable deals costs, and the expenses of organization including client benefit. These expenses must be canvassed by coordinate advantages as far as commissions and aberrant advantages regarding more dependable bank clients and furthermore Identified five key factors: the quantity of branches; the quantity of authorities per branch; the quantity of clients to the bank; the strategically pitching proportion; and the lessening after some time in expenses of offering and organization.

Karunagaran (2006) endeavored to investigate the degree for bancassurance models as possible wellspring of economical salary to keeping money area by abusing the cooperative energy with regards to India and reasons that passing by the present pace, bancassurance would end up being a standard instead of a special case in future in India and it would be a 'win-win circumstance' for every one of the

gatherings included - the client, the insurance agencies and the banks.

Tiwari, Anshuja and Yadav, Babita (2012) directed an examination with a target to comprehend the part of banc confirmation in Indian life coverage Industry and to gauge client mindfulness, fulfillment and recognition towards purchasing extra security items from banks and reasoned that Banc affirmation would quicken the development of disaster protection business, diminish cost, Low consciousness of banc affirmation among clients and second favored appropriation channel by clients. There is a colossal degree and development opportunity accessible for banc affirmation in future in the Indian disaster protection advertises.

Significance of the Study

Protection is one of the quickest developing ventures and has a critical commitment in financial advancement of the economy. Gigantic undiscovered Indian market presents both happenstance and test to the Insurance Company. The achievement of guarantors profoundly relies upon the viability of dispersion channel. The rising business sector rivalry and interest for imaginative need based items by the clients has powers insurance agencies to search for elective financially savvy dispersion channel comes about into rise of "Bancassurance". It is beneficial both to Banks and Insurance organizations and has a brilliant future to be the most created and proficient methods for dissemination of Insurance items. Insurance agencies can offer both life and non-life approaches through banks.

Objectives of the Study

- To look at the patterns of channel - wise bancassurance in India amid most recent nine years.
- To analyse the bancassurance models received by different nations.
- To basically inspect the effect of bancassurance on its stakeholders.

Results and Discussion

Traditionally, insurance products were sold only through individual agents and they accounted for a major chunk of the business in retail segment but after the establishment of IRDA, various amendments were made in the insurance sector. One of the major amendments is the selling of insurance policies through banks referred as "Bancassurance". Bancassurance is the channel for selling out the insurance products. The analysis is discussed in three sections. Section I emphasize on the first objective, examining the trends of channel - wise bancassurance in India during last nine years. Section II describe about the various bancassurance models and section III will examine the impact of bancassurance on its stake holders.

Section I

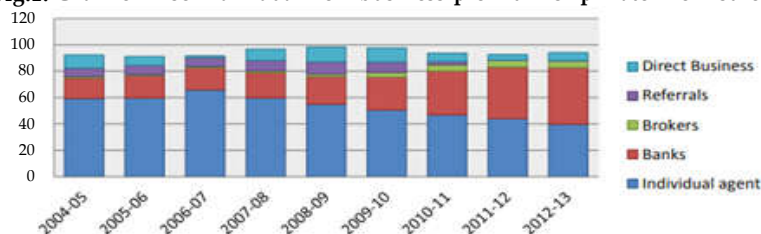
Channel-Wise Individual New Business Premium of Private Life Insurer

Table 2: Private life insurers' new business premium (In Percent)

Year	Individual agent	Banks	Broker	Referrals	Direct Selling
2004-05	59.30	15.42	1.23	6.25	10.05
2005-06	59.71	16.87	0.83	7.06	6.61
2006-07	65.8	16.58	1.05	6.77	1.39
2007-08	59.81	18.89	1.5	7.79	8.78
2008-09	54.94	20.78	2	9.27	11.37
2009-2010	50.67	24.88	3.44	7.85	10.73
2010-2011	46.89	33.21	4.77	2.34	6.43
2011-2012	44.05	39.01	5.07	0.16	4.35
2012-2013	39.68	43.08	5.05	0.10	6.14

(Source: IRDA, Annual Report 2004-13)

Fig.1: Channel-wise individual new business premium of private life insurer



Channel-Wise Individual New Business Premium of Private Life Insurer

It is uncovered from the above table that in the event of private life back up plan different go-betweens are associated with the protection business i.e. singular operators, banks, specialists, referrals and direct offering. With the development of new idea “Bancassurance”, the offer of individual operators in the new business of protection premium has been diminished from 59.30 percent in 2004-06 to 39.68 percent in 2012-13. Banks as a delegate has increased noteworthy significance as their offer was 15.42

percent in 2004-06 brought to 43.08 percent up in 2012-13. It turns out to be evident that with the presentation of Bancassurance, banks assumes a critical part in the development of protection area. The offer of intermediary was 1.23 out of 2004-06 yet expanded to 5.05 out of 2012-13. The offer of referrals and direct offering was 6.25 and 10.05 of every 2004-06 yet dropped to 0.10 and 6.14 of every 2012-13 individually. (Fig. 1)

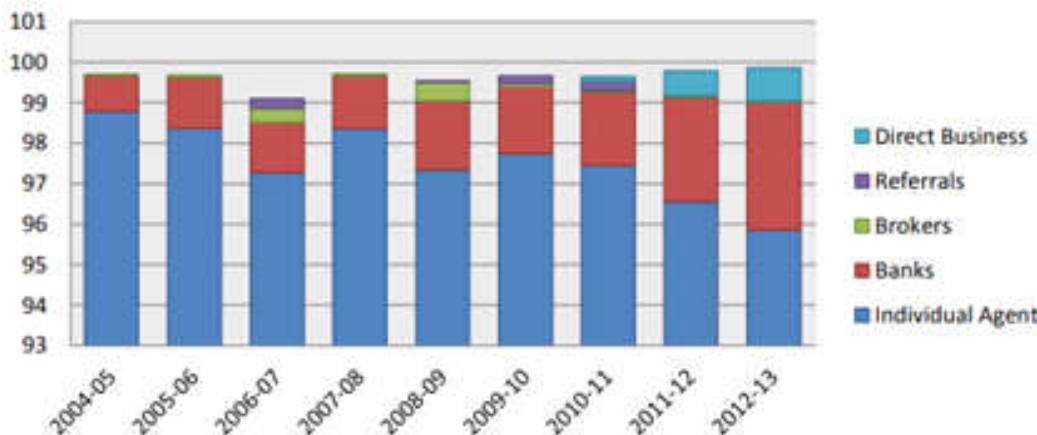
Channel-Wise Individual New Business Premium of Life Insurance Corporation (LIC)

Table 2: Life insurance corporation (LIC) new business premium (In Percent)

Year	Individual agent	Banks	Broker	Referrals	Direct Selling
2004-05	98.79	0.87	0.04	0	0
2005-06	98.37	1.25	0.06	0	0
2006-07	97.28	1.24	0.34	0	0
2007-08	98.36	1.3	0.05	-	-
2008-09	97.34	1.7	0.47	0.03	-
2009-2010	97.75	1.64	0.09	0.18	0
2010-2011	97.45	1.81	0.04	0.23	0.11
2011-2012	96.56	2.57	0.04	0	0.61
2012-2013	95.86	3.16	0.02	-	0.82

(Source: IRDA, Annual Report 2004-13)

Fig. 2: Channel-wise Individual new Business Premium Life Insurance Corporation



Channel-wise Individual new Business Premium Life Insurance Corporation

Additionally given table uncovered that Life Insurance Corporation (LIC) Insurance premium of individual operators has declined from 98.79 percent in 2004-06 to 95.86 percent in 2012-13 while Banks execution has indicated in excess of three times development in their extra security premium commitment. The offer of banks in LIC new business premium was 0.87percent of every 2004-06 and expanded to 3.16 percent in 2012-13. Offer of

representatives, referrals and direct offering in new business premium is exceptionally ostensible. (Fig. 2)

Section II

Bancassurance Models

Bancassurance has developed at better places and taken shapes and structures in various nations relying on demography, financial and administrative remedies in that nation. It is best in Europe,

particularly in France, from where it began, Italy, Belgium and Luxembourg. The idea of bancassurance is moderately new in India. Bancassurance envelops an assortment of plans of action. There is no single example to follow in making a bancassurance activity. There are diverse advancement models, which can be isolated into three noteworthy classifications, e.g.

- Development models
- Structural order and
- Product based order.

Development Models

Bancassurance takes distinctive structures that shift starting with one nation then onto the next. Notwithstanding, three essential models of bancassurance are rising. These are Distribution assention, Joint wander and Full mix.

1. *Distribution Agreement*- In this model bank go about as a middle person for an insurance agency. This technique is exceptionally easy to work and require less capital. This model is regularly utilized as a part of nations like USA, Germany, UK, Japan and South Korea.
2. *Joint Venture*- In this model bank acts under association concurrence with at least one insurance agencies. Subsequently banks and insurance agencies cooperate so they can share their skill. This model is mainstream in Italy, Spain, Portugal and South Korea.
3. *Full Integration*- These model takes a shot at the formation of new backup which require significant money to begin its activity, however it appreciate the benefit of same corporate culture. Nations like France, Spain, Belgium, Ireland, UK embraced this model.

Structure Based Classification

Based on structure models of bancassurance have been arranged into three classes e.g. Referral demonstrate, corporate office show, completely coordinated money related administrations display. In India Referral and Corporate organization models are by and large utilized.

1. *Referral Model*- Those Banks keeps away from to chance, receive "referral display" wherein they simply part with their customer information base for business lead for commission. This model would be reasonable for a wide range of banks including the Regional Rural Banks, helpful banks and even agreeable social orders both in

country and urban.

2. *Corporate Agency*- This is another Non-chance banc confirmation display, wherein the bank workers are prepared to assess and pitch the items to the clients. This Model is more reasonable and suitable for a large portion of the moderate sized banks in India as likewise the rate of commission would be generally higher than the referral course of action. This model is most appropriate for greater part of banks including some major urban agreeable banks in light of the fact that neither there is sharing of hazard nor does it require gigantic interest as foundation but could be a decent wellspring of pay.
3. *Fully Integrated Financial Service*- Aside from the above model, in this model bank works as completely all inclusive in its task and offering of protection items is only one more capacity inside. Banks are outfitted with a counter inside to offer the protection items as an inner piece of its exercises. This incorporates banks having an entirely possessed protection backup with or without outside support. The considerable preferred standpoint of this procedure being that the bank could make utilization of its maximum capacity to receive the reward of collaboration and hence the economies of extension. This might be appropriate to moderately bigger manages an account with sound financials and has better framework.

Product-Based Classification

Bancassurance display based on item characterized into two classes e.g. Remain solitary designs and Blended with bank items. Mixed with bank items are more commonplace in India e.g. Medical coverage with Home credit, Accident Insurance with Car advance etc.

1. *Stand-Alone Plans*- It includes advertising of the protection items through either referral plan or corporate organization without blending the protection items with any of the banks claim items. Protection is sold as one all the more thing in the menu of items offered to the banks client, be that as it may, the results of banks and protection will have their individual brands as well.
2. *Blended with Bank Products*- This technique goes for mixing of protection items as an esteem expansion while advancing bank's own particular items. In this manner, banks could offer the protection items with no extra endeavors.

Example mixing home advance with medical coverage.

Section III

Who Are Stakeholders?

Partner is a man endowed with the stakes of bettors or one that has a stake in a venture or one who is engaged with or influenced by a strategy. Partner, a

substance that can be influenced by the aftereffects of that in which they are said to be partners, i.e., that in which they have a stake. A partner is anyone who can influence or is influenced by an association, procedure or task. They can be inside or outside and they can be at senior or junior levels. A few definitions propose that partners are the individuals who have the ability to affect an association or undertaking somehow. Partners if there should be an occurrence of bancassurance incorporate back up plan, financiers, clients, government and so on. While

Table 3: Positive Impact of Bancassurance on its Stakeholders

For Insurer	For Banks	For Customers
-Attract further business	-Stable and supplement source of income	-Better relation with banks
-Access to banks clients	-Banks became super market “one stop shop”	-Awareness of insurance policies
-Reduce dependency upon agent	-Increase Profitability	-Better premium rates and services
-Increased Efficiency	-Product Diversification	-All services under one roof
-Access to rural markets through banks	-Customer Retention	-Innovation and better product
-Reduced distribution costs	-Use of existing staff	-Better financial counseling
-Diversification of distribution method		-Easy access for claims
-Reduced risk		
-Increased market penetration		

partners might not have a direct money related holding in the organization, they would in any case remain to profit if the wander or organization succeeds.

Findings and Implications

Bancassurance has gotten much consideration from the two scientists and policymakers, as it is a noteworthy advance towards the production of general budgetary markets in the 21st century. Bancassurance is rising as a characteristic pathway for the successful improvement of protection. Section I plainly clarifies that there can be no uncertainty of the significance of the potential for Bancassurance to open the way toward cost-effective access to protection items, both Life and non-Life. Expanded offer of banks in new business of disaster protection premium prove the accomplishment of bancassurance in India yet low infiltration ratio(3.2 percent in 2012) show that there is as yet undiscovered market which could be secured with augmenting the appropriation channel. Section II featured different bancassurance models winning in various nations and referral display, corporate office and mixed with bank items are more commonplace in India.

Section III accentuated on the effect of bancassurance on its partners and inferred that in spite of some

restriction it has decidedly influenced its partners including safety net providers, brokers and clients. Incited by the achievement of the bancassurance display all inclusive and to encourage dynamic mix with the insurance agency, a few banks advance insurance agencies separately or together in India.

Future Scope of Research

Where enactment has permitted, bancassurance has generally been an exceptional achievement and, albeit ease back to pick up pace, is presently taking off crosswise over Asia, particularly now that banks are beginning to end up more differing monetary establishments, and the idea of widespread keeping money is being acknowledged.

- In non-extra security business banks are hoping to give extra stream of incomes from similar clients through a similar channel of circulation and with similar individuals.
- Insurers have been handing over ever-more noteworthy numbers to elective methods of circulation in light of the high costs they have paid for specialist administrations.

These expenses turned out to be excessively of a weight for some, safety net providers contrasted with the profits they created.

- Insurers work through bancassurance possess and control associations with clients. Safety net providers found that immediate associations with clients gave them more noteworthy control of their business at a lower cost. Safety net providers who work through the office relationship are scarcely having any control on their association with their customers.

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An Enhanced Study towards the Effectiveness of Digital Marketing

V. Sumalatha

Abstract

Marketers are looked with new challenges and opportunities inside this digital age. Digital marketing is the use of electronic media by the marketers to advance the products or services into the market. The primary target of digital marketing is drawing in customers and enabling them to cooperate with the brand through digital media. This article centers around the importance of digital marketing for the two marketers and customers. We look at the impact of digital marketing on the organizations' deals. Moreover, the contrasts between conventional marketing and digital marketing in this paper are introduced. This investigation has portrayed different forms of digital marketing, effectiveness of it and the effect it has on company's deals. Collected data has been dissected with the assistance of different statistical tools and techniques.

Keywords: Customer Reach; Promotion; Digital Marketing; Effectiveness.

Introduction

Digital marketing is one sort of marketing being generally used to advance products or services and to reach shoppers utilizing digital channels. Through digital media, shoppers can get to information whenever and wherever they need. With the nearness of digital media, shoppers don't simply depend on what the organization says in regards to their brand yet in addition they can take after what the media, companions, affiliations, peers, and so forth., are stating also. Digital marketing is a wide term that alludes to different promotional techniques sent to reach customers through digital advances. Digital marketing encapsulates a broad determination of administration, item and brand marketing strategies which basically utilize Internet as a core promotional medium notwithstanding portable and conventional TV and radio. The essential points of interest of online

networking marketing is lessening costs and improving the reach. The cost of an online networking platform is commonly lower than other marketing platforms, for example, up close and personal deals or deals with an assistance of brokers or distributors. Furthermore, online networking marketing enables firms to reach customers that may not be opened because of temporal and locational confinements of existing circulation channels. A wide range of online networking give an opportunity to display organization itself or its products to dynamic groups and people that may indicate intrigue (Roberts and Kraynak, 2008). According to Gurau (2008), internet marketing condition raises a progression of opportunities and likewise challenges for online networking marketing experts.

Objectives

The principle objective of this paper is to distinguish the effectiveness of digital marketing in the aggressive market. The supportive targets are following:

1. To demonstrate the different components of digital marketing;
2. To center around the fundamental correlation amongst conventional and digital marketing

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3. To talk about the impacts of different forms of digital marketing on the association's deals and other exercises;
4. To demonstrate the different preferences of digital marketing to the customers.

Various Elements of Digital Marketing

There are different components by which digital marketing is formed. All forms operate through electronic devices. The most important components of digital marketing are given beneath:

Online Advertising

Online advertising is an important piece of digital marketing. It is additionally called web advertising through which organization can convey the message about the products or services. Web based advertising gives the substance and advertisements that best matches to customer interests. Distributors put about their products or services on their sites with the goal that customers or clients get free information. Sponsors should put more viable and applicable promotions online. Through online advertising, organization well controls its financial plan and it has full control on time.

Email Marketing

At the point when message about the products or services is sent through email to the current or potential shopper, it is characterized as email marketing. Coordinate digital marketing is utilized to send promotions, to construct brand and customer dedication, to assemble customer trust and to make brand mindfulness. Organization can advance its products and services by utilizing this component of digital marketing effortlessly. It is moderately minimal effort contrasting with advertising or other forms of media presentation. Organization can bring complete consideration of the customer by making appealing blend of designs, text and connections on the products and services.

Social Media

In these days, social media marketing is a standout amongst the most important digital marketing channels. It is a PC based device that enables individuals to make, trade thought information and pictures about the organization's item or services. According to Nielsen, web clients keep on spending more time with social media destinations than some other kind. Social

media marketing networks incorporate Facebook, Twitter, LinkedIn and Google+. Through Facebook, organization can advance occasions concerning item and services, run promotions that agree to the Facebook rules and explore new opportunities. Through Twitter, organization can build the mindfulness and perceivability of their brand. It is the best device for the promotion of organization's products and services. In LinkedIn, experts compose their profile and offer information with others. Organization can build up their profile in LinkedIn with the goal that the experts can see and can get more information about the organization's item and services. Google+ is likewise social media network that is more powerful than other social media like Facebook, Twitter. It isn't just straightforward social media network yet additionally it is an authorship apparatus that connections web-content specifically with its proprietor.

Text Messaging

It is an approach to send information about the products and services from cell and advanced mobile phone devices. By utilizing telephone devices, organization can send information as text (SMS), pictures, video or audio (MMS). Marketing through cellphone SMS (Short Message Service) turned out to be progressively famous in the mid 2000s in Europe and a few sections of Asia. One can send order affirmations, shipping cautions utilizing text message. Utilizing SMS for battles get quicker and more considerable outcomes. Under this system, organizations can send marketing messages to their customers continuously, whenever and can be certain that the message will be seen. Organization can make a survey and get important customer criticism fundamental to build up their products or services in future.

Affiliate Marketing

It is a sort of performance-based marketing. In this kind of marketing, an organization rewards affiliates for every visitor or customer they bring by marketing efforts they make in the interest of organization. Industry has four core players: the shipper (otherwise called "retailer" or "brand"), the network, the distributor (otherwise called "the affiliate") and the customer. The market has developed in such intricacy bringing about the rise of an optional level of players including affiliate administration organizations, super-affiliates and concentrated outsider vendors. On the off chance that organization needs to drive an affiliate program, then, the organization proprietor

needs to pay affiliates a commission expense for each lead or deal they drive to organization's site. Organization's principle objective here is to discover affiliates who can reach undiscovered markets. An organization with an e-zine may turn into a decent affiliate since its endorsers are ravenous for assets. Thus, presenting one's offer through "trusted" organization can get the consideration of prospects which won't not have otherwise reached.

Search Engine Optimization

SEO (Search engine optimization) is the way toward influencing the perceivability of a site or a site page in a search engine's "regular" or un-paid ("organic") search comes about. All in all, the prior (or higher positioned on the search comes about page), and more oftentimes a site shows up in the search result list, the more visitors it will get from the search engine clients.

Pay Per Click (PPC)

Pay-per-click marketing is a method for utilizing search engine advertising to create clicks to your site rather than "winning" those clicks organically. Pay per click is useful for searchers and sponsors. It is the most ideal path for organization's promotions since it carries ease and more noteworthy engagement with the products and services.

Advantages of Digital Marketing Brings to customers

With quick mechanical improvements, digital marketing has changed customers purchasing behavior. It has conveyed different favorable circumstances to the purchasers as given underneath:

Stay Updated with Products or Services

Digital marketing innovations enable the purchasers to stay with the organization information updated. These days a considerable measure of purchaser can get to web wherever whenever and organizations are ceaselessly refreshing information about their products or services.

Greater Engagement

With digital marketing, customers can draw in with the organization's different exercises. Shoppers can visit organization's site, perused information about the products or services and make purchases online and give criticism.

Clear Information about the Products or Services

Through digital marketing, buyers get clear information about the products or services. There is somewhat possibility of distortion of the information taken from businessperson in a retail location. Be that as it may, Internet gives exhaustive item information which customers can depend on and settle on purchase choice.

Easy Comparison with Others

Since numerous organizations are attempting to advance their products or services utilizing digital marketing, it is turning into the best preferred standpoint for the customer in wording that customers can make comparison among products or services by various providers in cost and time cordial way. Customers don't have to visit various diverse retail outlets in order to pick up information about the products or services.

24/7 Shopping

Since web is accessible throughout the day, there is no time confinement for when customer needs to purchase an item online.

Share Content of the Products or Services

Digital marketing allows watchers to share the content of the item or services to others. Utilizing digital media, one can without much of a stretch exchange and get information about the qualities of the item or services to others.

Apparent Pricing

Organization demonstrates the costs of products or services through digital marketing channel and this makes costs clear and straightforward for the customers.

Organization may routinely changes the costs or gives unique offers on their products or services and customers are dependably in points of interest by getting informed instantly by simply taking a gander at any one mean of digital marketing.

Enables Instant Purchase

With traditional marketing, customers first watch the ad and then find significant physical store to purchase the products or services. Be that as it may, with digital marketing, customers can purchase the products or services instantly.

Methodology of the study

Strategy originates from efficient and theoretical investigation of the strategies to assess reasonableness of one particular technique to apply to a field of study. It commonly envelops ideas, for example, world view, theoretical model, stages and quantitative or subjective techniques. This investigation is led in light of both primary and secondary data sources.

Primary Sources

Primary source is a source from where we gather direct information or original data on a subject. Meeting method was utilized with organized poll for the gathering of primary data.

Secondary Sources

Secondary source is a source from where we gather data that has just been collected by somebody. We have collected secondary data from the distributed money related articulations of the organizations, newspaper and articles. For the motivation behind this examination, we have chosen one hundred fifty firms randomly which are utilizing digital marketing framework to pitch their products to customers. Furthermore, we additionally collected data from 50 officials from test and other diverse firms to know their sentiment on the effectiveness of digital marketing.

Collected data and information has been organized, clarified and dissected by utilizing diverse statistical tools and techniques. This examination indicates comes about both in spellbinding and investigative way.

Analysis and Discussion

Correlation Analysis

To demonstrate the correlation between the different components of digital marketing and

expanded deals, we have collected data from one hundred fifty firms who are taking the different techniques or components of digital marketing. Results are given beneath:

From the table 1, we can reason that the each component of digital marketing is emphatically identified with deals increment. It demonstrates that all components of digital marketing show beneficial outcome on company's deals. Online advertising, email marketing, social media and search engine optimization (SEO) are profoundly emphatically correlated with deals increment since demonstrating estimation of r to be .869, .873, .840 and .840 separately. The estimation of r of text messaging, affiliate marketing and pay per click (PPC) are .667, .560 and .560 which likewise indicates low positive correlation with deals increment.

Analysis of Digital Marketing

Digital media is pervasive to the point that customers approach information whenever and wherever they need. It was long prior when the messages individuals got about particular products or services comprised of just what an organization needed them to know.

From the table 2, we can reason that every one of the factors having weight clarifying with awesome degree its association with digital marketing. For instance, stay updated with products or services is clarified by 71.80% of digital marketing and the staying 28.20% is clarified by other factor. Greater engagement is clarified by 51.60% of digital marketing and the staying 48.40% is clarified by other factor. Clear Information about the products or services is clarified by 62.90% of digital marketing and the staying 37.10% is clarified by other factor. We can likewise observe from the above table that F esteem is greater more than 80 demonstrating the quality of the model.

Coefficient of Different Variables

The coefficient of various factors in connection with free factors will be examined beneath:

Table 1: Correlations

		Increased Sales	Online Advertising	Email Marketing	Social Media	Text Messaging	Affiliate Marketing	Search Engine Optimization (SEO)	Pay Per Click (PPC)
Increased Sales	Pearson Correlation(r)	1	.869	.873	.840	.667	.560	.840	.560
	Sig. (2tailed)		.056	.053	.075	.219	.326	.075	.326
	N	150	150	150	150	150	150	150	150

Table 2: Model Summary

Model	R square	F
Stay updated with products or services	.718	122.117
Greater engagement	.516	51.276
Clear information about the products or services	.629	81.254
Easy comparison with others	.639	85.141
24/7 Shopping	.749	142.868
Share content of the products or services	.656	91.498
Apparent Pricing	.636	83.962
Enables instant purchase	.667	96.028

Table 3: Coefficients Analysis for Dependent Variable-Stay updated with products or services

Model	Coefficients		Standardized Coefficients Beta (β)	t	Sig.
	Unstandardized Coefficients B	Std. Error			
Constant	1.000	.215		4.649	.000
Digital Marketing	2.882	.261	.847	11.051	.000
Dependent Variable: Stay updated with products or services					
Constant	1.000	.254		3.937	.000
Digital Marketing	2.206	.308	.719	7.161	.000
Dependent Variable: Greater engagement					
Constant	1.000	.248		4.040	.000
Digital Marketing	2.706	.300	.793	9.014	.000
Dependent Variable: Clear Information about the products or services					
Constant	1.000	.234		4.275	.000
Digital Marketing	2.618	.284	.800	9.227	.000
Dependent Variable: Easy compare with others					
Constant	1.000	.215		4.649	.000
Digital Marketing	3.118	.261	.865	11.953	.000
Dependent Variable: 24/7 Shopping					
Constant	1.000	.223		4.482	.000
Digital Marketing	2.588	.271	.810	9.565	.000
Dependent Variable: Share content of the products or services					
Constant	1.000	.262		3.816	.000
Digital Marketing	2.912	.318	.798	9.163	.000
Dependent Variable: Apparent Pricing					
Constant	1.000	.240		4.165	.000
Digital Marketing	2.853	.291	.817	9.799	.000
Constant	1.000	.215		4.649	.000
Digital Marketing	2.882	.261	.847	11.051	.000

Dependent Variable: Enables instant purchase

Unstandardized Coefficients (B) shows that if autonomous variable is zero (0) then what is the effect on subordinate variable?

Here on the off chance that we don't utilize digital marketing then stay updated with products or services will be 2.882. Standardized Coefficients (β) shows that if autonomous variable is increment by 1% then what will be the effect on subordinate variable. Here, if the use rate digital marketing is 1% then 84.70% stay updated with products or services will be happened.

Conclusion

Digital channel in marketing has turned out to be basic piece of technique of numerous organizations. These days, notwithstanding for entrepreneur there is an exceptionally proficient approach to market his/her products or services. Organization can utilize any devices, for example, cell phones, tablets, PCs, TVs, amusement reassures, digital boards, and media, for example, social media, SEO (search engine optimization), videos, content, email and part more

to advance organization itself and its products and services. Digital marketing may succeed more on the off chance that it considers client needs as a best priority. Much the same as "Rome was not worked in a day," along these lines, digital marketing comes about won't likewise come without endeavor, without trial (and error). The watchwords "test, learn and advance" ought to be at the core of all digital marketing activities. Organizations ought to make imaginative customer experiences and particular systems for media to recognize the best way for driving up digital marketing performance.

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Emerging Challenges towards Human Resource Management in 21st Century

G.K. Kumar

Abstract

"In the event that you happen to meet the HR Head of a vast association, simply ask him what is his biggest challenge is. He will state 'maintenance of individuals'." In the present situation administrative professionals to change supervisors and vital business accomplices, the part of HR has totally changed. In the present forceful worldwide market it has turned out to be important for association to extend universally to increase upper hand. Globalization has constrained association and their HR capacities to rethink their strategies. It is essential for the administration to contribute extensive time and sum, to take in the changing situation of the Human Resource Department in the 21st century. To survive the opposition and be in the race, HR Department ought to consistently refresh itself with the change in HR appropriate HR Policies that would prompt the Achievement of the association and also the person's objectives ought to be detailed.

HR Practitioners of each association and furthermore for the individuals who have critical enthusiasm for the region of Human Resource Management ought to understand the developing significance of human asset and comprehend the need to develop viable HR strategies. People groups are vital resources. Setting this incentive on workers, requires the association to underline on human asset work on, including reward for predominant execution, measures of representative fulfillment, watchful determination of workers, advancement from inside, and interest in representative development.

Keywords: HR Challenges; Globalization; Strategies; Potential Future Development; HR Policies.

Introduction

Globalization is the nearer incorporation of the nations and people groups of the world realized by the colossal lessening of expenses of transportation and correspondence, and the braking down of manufactured boundaries to the streams of products, services, capital, learning, and human asset crosswise over fringes. Globalization as a viable instrument of universal trade of merchandise and enterprises needs to have a human face, in view of moral thought as opposed to on vicious competition. It should assume a positive part in decreasing financial and social

disparities within and among, the countries. It ought to be likewise powerful instrument for enhancing reasonable development. In the time of globalization, with the expanding competition, locally or all inclusive, associations must turn out to be more versatile, strong, deft, and client centered to succeed. What's more, within this adjustment in condition, the HR proficient needs to advance to end up a key accomplice, a worker support or advocate, and a change coach within the association. Keeping in mind the end goal to succeed, HR must be a business driven capacity with an intensive comprehension of the association burrow picture and have the capacity to impact key choice and policies. All in all, the focal point of the present HR troughs is on vital work force maintenance and abilities development. In the present forceful worldwide market it has turned out to be vital for association to extend universally to increase competitive preferred standpoint. Globalization has constrained association and their HR capacities to rethink their strategies. It is fundamental for the administration to contribute significant time and sum,

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to take in the changing situation of the Human Resource Department in the 21st century.

HR Practitioners of each association and furthermore for the individuals who have noteworthy enthusiasm for the region of Human Resource Management ought to understand the developing significance of human asset and comprehend the need to develop viable HR strategies. People groups are critical resources. Putting this incentive on representatives, requires the association to underscore on human asset work on, including reward for prevalent execution, measures of worker fulfillment, cautious choice of workers, advancement from within, and interest in representative development. Simply dealing with representatives would not be sufficient; new HR initiatives ought to likewise center around the quality needs, client introduction, productivity and stress, collaboration and administration building. The scientist has thrown light on the rising HR drifts and examines HR issues in different businesses like Financial Services, IT, Power, Healthcare and so on. It is profitable for rehearsing HR managers of each association and furthermore for the individuals who have a noteworthy enthusiasm for the zone of Human Resource Management, to understand the developing significance of human asset and comprehend the need to develop viable HR strategies to battle HR issues emerging in the 21st century.

Objectives of the Study

- To investigation the effect of globalization on Indian Human Resource Management.
- To investigation the Challenges in Human Resource Management that Indian Industries are confronting.
- To give proposals and recommendations to powerful Human Resource Management.

Methodology of the Study

The present investigation has been expressive; the information for this examination was gotten from optional sources. The optional has been gathered from different references which as of now existed in distributed shape; some portion of the paper depends on literature audit the technique including gathering all the accessible papers identifying with them and choosing applicable papers/books for the survey reason. Determination of the paper is done based on their importance and commitment to the group of

information. The writer has made an endeavor to do essential perusing of the chose papers which will constitute the center of this survey think about.

Discussion and Findings

Modern Human Resource Management Challenges

1. Changing Workforce Dynamics

Often, physical movement is required. The expanding number of double vocation professionals limits singular flexibility in tolerating such assignments may obstruct number of double vocation proficient limits singular flexibility in tolerating such assignments and may frustrate organizational flexibility in obtaining and creating ability. Some statistic changes in the workforce having their own particular ramifications to the HR managers.

2. Changing Employee Expectations

Employees request empowerment and expect equality with the administration. Past idea on administrative authority are offering approach to employee impact and association alongside instruments for upward correspondence and due process. In the event that we take a gander at the workers associations of Otis, Hindustan Lever, ICI TOMCO, Blue Star, Webel Electro and Central Bank. They rewrite their motivation to incorporate quality and better client benefit and notwithstanding blaming the administration for acts of neglect.

3. Globalization

Numerous Indian firms are constrained to think all around, something which is troublesome for troughs who were acquainted with work in huge shielded markets with insignificant or no competition either from residential or remote firms. Indian firms need to move one end of every continuum to the opposite end.

4. Managing Diversity

Its esteem is getting more imperative issue as a result of increment in the quantity of youthful workers in the workforce, increment in the quantity of ladies joining the workforce increment in the extent of ethnic minorities in the aggregate workforce increment in mobility of workforce universal profession and ostracizes are getting to be normal, worldwide experience as a pre-requisite for vocation movement to numerous best level administrative positions.

5. *Outsourcing Human Resource*

The pattern towards outsourcing has been caused by a few key and operational thought processes. HR offices are stripping themselves from unremarkable activities to concentrate more on key part. Outsourcing has additionally been utilized to cause diminish administration and to energize a more responsive culture by bringing outside market powers into the firm through the awaiting procedure. It is a major test before the HR administrator to demonstrate that his/her area of expertise is as essential as some other capacities in the association.

1. *Making HR Activities Ethical:* Enlisting ethical solid employees is just the start. The need to institute components to guarantee ethical direct of employees is expanded a considerable measure with the progression of time. The HR administrator needs to precisely screen applications for employments, get rid of the individuals who are inclined to enjoy wrongdoings and contract the individuals who can fabricate an esteem driven association.
2. *Organizational Restructuring:* Diminish Drucker forecasts in his book (The New Realities) is demonstrating its shading and numerous huge organizations has lessened their number of administration grades, end of layers, and redrawing revealing lines within their association. ITC, HLL, Godrej and Boyce, RPG Enterprise, Raymond Woolen Mills, Shaw Wallace, Ballapur Industries, Compton and Greaves are a portion of the organizations that are doing as such.
3. *Work Life Balancing:* Balancing work and life expect pertinence when both a couple are utilized. Travails of a working housewife are in excess of a working spouse, in this manner balancing it is turning into a noteworthy test for HR chief.

So a program pointing balancing work life is required and should incorporate; childcare, Job sharing, Care for debilitated kids and employees, On site summer camp, Training chief to react to work and family needs of employees, Flexible work booking, Sick leave policies, Variety of errands from cleaning, dropping kids at school, making supper reservations and so forth and numerous more like the same or other.

Challenges of Human Resource Management in Indian Industries (TCS & BIRLASOFT)

1. *Management of Workforce Diversity*

To viably oversee workforce diversity, Cox (1993) proposes that a HR Manager needs to transform from

an ethnocentric view (our direction is most ideal route) to a culturally relative point of view (let us take the best of an assortment of ways). This move in theory must be ingrained in the administrative framework of the HR Manager in his/her planning, organizing, leading, and controlling of organizational resources.

2. *Maintaining Workforce Diversity*

The future accomplishment of any association depends on the ability to deal with an assorted group of ability that can bring innovative thoughts, viewpoints and perspectives to their work. The challenge and issues looked of workplace diversity can be transformed into a vital organizational resource if an association can capitalize on this melting pot of various gifts.

3. *Managing EIS*

As information is the premise of basic leadership in an association, there lies an extraordinary requirement for compelling administrative control. A decent control framework would guarantee the correspondence of the correct information at the opportune time and handed-off to the perfect individuals to take incite activities.

4. *How to Retain the Same Level of Recruitment Even in Recession*

The greatest challenge for HR is to maintain the organization notoriety which it gained over the period by recruiting an extensive number of new employees consistently.

5. *How to Absorb All Recruittees*

Despite the fact that there are recruitments in huge scale, they don't have enough undertakings to absorb all the new recruited employees. With a specific end goal to handle this situation they are calling the new recruited employees in small clusters rather than 2-3 extensive gatherings.

6. *How to Motivate Employees*

The development of a proper organizational reward framework is most likely one of the most grounded motivational factors. This can influence both occupation fulfillment and employee inspiration. The reward framework influences work fulfillment by making the employee more agreeable and mollified motivational factors in an organizational setting include working condition, work because of the prizes got.

7. Career Development

To guarantee that individuals are given opportunities to build up their abilities that empower them to accomplish professional and individual career targets within the association's objectives.

8. Competency Development

This begins with distinguishing proof of requisite skills at the association level which are at least subject to capabilities that are should have been recognized, fabricated or upgraded in the individual Birlasoftian. Enhancing always the capability of Birlasoftians to perform doled out errands and responsibility in swing uplinks to the association capability building.

9. Compensation

To give all individual compensation and benefits in light of their commitment and incentive to the association in a reasonable and straightforward way. Competitiveness of the compensation offered in examination with the prevailing business sector's reality is the driving power.

10). Training and Development

To guarantee that the distinguished competency necessities are worked through a methodical and centered approach.

11. Participatory Culture

A nearsighted viewpoint of utilizing gifts of individuals just in the conveyance of allocated obligations has two expansive bothersome impacts; it prevents individuals from developing also adjusted professionals; and it denies the association the promptly accessible multitalented internal resource pool that could potentially add to a large portion of the challenges and opportunities facing the association.

Conclusion

HR professionals can hardly wait for change to happen. HR pioneers must suspect new developments, grasp them and build up the strategies vital for their associations to succeed. To drive organizational achievement, HR professionals must comprehend the ramifications of these patterns for HR, as well as for their association all in all. HR pioneers will find opportunities in these

developments and must set up projects and practices today to address the difficulties of tomorrow. It is the ideal opportunity for Human Resource practitioners to rethink their part and that of the HR division, not just to contribute to the association's bottom line, yet in addition for their own particular survival. HR continues to adjust the requests of a few distinct parts: business accomplice, internal specialist, operational and administrative master and both employee and manager advocate.

Suggestions & Recommendations

1. Employers must increase consciousness of liabilities.
2. Employee needs greater consolation and support from boss.
3. HR needs to assume critical part in future (Business Partner, Strategies, OD Specialist, System Integrator, and Researcher).
4. Traditional Marketing policies.
5. The sum you invest in selling yourself to your customers.

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Innovative HR Practices Catering to Talent Acquisition

D. Pranathi

Abstract

Today every organization is currently facing a growing shortage of candidates with the skills necessary to fill roles being created by private sector. There is always urgent need of talent employees to fulfill the effective roles that influence the growth of any organization. Severe skill shortages prevail and finding top talent is more difficult than ever. In this talent hungry scenario, one of the greatest challenges that organizations are facing is successfully attract, assess, train and retain talented employees. Talent management encompasses in itself the entire process of Planning, Recruiting, Developing, Managing and Compensating employees in the Organization. Every business unit is making sure that they can respond and withstand the challenge of talent crisis by developing good HR practices so has to attract and retain highly talented employees by protecting from competitors. This study tries to understand how the organizations are creating innovative HR practices so as to attract and retain talent employees.

Keywords: Talent Management; Attracting; Compensating; Planning.

Introduction

Every company needs to have a competitive advantage to face the tough competition ahead in the market. Human resources are one such factor that brings competitive advantage to the company and can bring a sustained performance. Now, department of Human Resources has come into Limelight which was earlier in the backseat. Good human resource strategies and practices are the backbone of all the companies which may operate nationally or multi nationally.

To attract and retain the talented employees good HR practices need to be designed which are linked up to the goals of an organization. Just hiring, developing and retaining talented people is not the need, but organizations should also be aware of managing the talent providing best practices to achieve possible results.

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Objectives of the Study

1. To understand the various HR initiatives considered by the organizations in moving towards the goals.
2. To know how the various innovative HR practices are acquiring and retaining the talented employees.

Methodology

To explain how innovative HR practices can acquire and retain talent, secondary data was collected incorporating of articles on various topics of Innovative HR. Selection of literature was narrowed down through certain criteria. First articles which incorporated innovative hr practices as key concepts were taken.

By combining the results of different studies this literature review provides a comprehensive insight into the field of HRM and innovation. Articles were classified into two categories, i.e. literature emphasizing linkages between a) Innovative HR practices and b) Acquiring and Retaining Talent through innovative HR practices.

Conceptual Framework

Human resource practices of any organizations will surely have the power on innovation occurrence and sustainable performance. This is because innovation happens because of intelligence, imagination and creativity of its employees. So for innovation occurrence, to retain talented employees organizations must focus to develop innovative HR practices. According to AMO (Ability Motivation Opportunity theory) given by Appelbaum et al. (2000), suggests that innovation focused staffing and training can ensure the require ability and capability of organizational innovation. In general, HR practices have power to enhance ability, motivation and opportunity in an organizational environment. So many practices of HR are been changing drastically and trying to become innovative in these competitive environment.

Nowadays, the traditional method of HR function like (recruitment and Selection, training and Development, Performance Management and Compensation administration) has been dramatically changed. Recruitment and Selection through social networking websites such as LinkedIn, Glassdoor, Skype (video conferencing) has become an essential tool to acquire global talent. Similarly in contrast to older method of training today organizations prefer using web enhanced training where employee participate in learning at anytime. This kind of training has become more flexible for both organizations and employees too. Compensation administration software integrates many elements such as Compensation management, job evaluation, pay structure, performance measures, team and individual recognition etc. are used by many organizations these days. Because of the changes in the competitive environment, many such practices of HR has become more innovative.

Some of the other Innovative Practices followed by organizations these days are as follows:

1. *Engaging the best brains:* In today's competitive world attracting and retaining the talented employees has become the toughest job. It is the quality workforce that makes an organization move forward. Engagement practices do motivate the employees to achieve their goals. A lack of such activities may reduce production and sometimes lead to Snowballing effect also.
2. *Employee centric Initiatives:* A comfort and conducive environment is something that makes an employee to feel a great place to work with. Some organizations allow employees to take sabbaticals for skill upgrading and educational

studies too. Instead of workforce reduction, job sharing, compressed hours, staggered hours and annualized hours are also followed.

3. *Generation Y:* Inducing Gen Y employees also brings lot of environmental changes. These employees thrives for quick growth with intense energy. Utilizing their thrust for growth new ideas can be best utilized and create a positive motivating environment for baby boomers.
4. *Green management initiatives:* Green management initiatives are a key forward thinking business process. Internet, teleconferencing, job sharing, car sharing are some initiatives of cost cutting that are mostly encouraged. Apart from this promoting reduction of paper usage, wellness programs promoting about proper nutrition, fitness are few initiatives that are generally promoted.

Review of Literature

Homera. A. Duran [1] Krupa U Trivedi Aqsa A Durani in their article entitled "Innovative HR Strategic Practices of Indian and Foreign MNCs" opined that valuing diversity is crucial to employee engagement and satisfaction and ultimately retention and development through proper training programs.

Emmy Gracy Vas [2], in the article "Innovative HR Practices; For revival and survival during economic slowdown" stated that HR practices are as important as technological innovation for the survival and growth of the corporate sector world over.

Manon Bouius [3] in their thesis titled "The influence of Individual HR practices on Innovation in Service Organizations" concluded that compensation is seen as a motivating tool to encourage employees to go the extra mile to work more towards organizational goals to encourage innovative behavior.

Ghazala Ishrat [4], Javed Habib in their article "Examination of current HR Practices In Indian MNCs and Foreign MNCs with a View to map Similarities and Differences In HR Practices Of Both Indian and Foreign" concluded that expatriates are more successful in India if they apply a culture specific leadership style. Further they added that Indian employees are seen as hardworking, as loyal to the company and willing to develop themselves.

M. Suman Kumar [5], P. Archana "Innovative Human Resource Practices: Literature Review And Related" stated that innovative HR Practices is now recognized as an important tool of increasing the

organizational efficiency.

Sochen Beechler, Ian C Woodward [6] in their article The Global “war of talent” stated that innovation can provide an evolutionary and suitable inclusive paradigm to attract, develop, motivate and retain talent globally and locally.

Roma Tripathy and Pooja Kushwaha [7] in their publication opined that there is a need for transformation of practices not only in policies and structure but also the way they operate. Further they added that with the social media virtual media can also be used if organizations need to retain talent.

Empirical Evidences of Innovative Practices

This section presents about some evidence practices of a giant company (Facebook) and a small company(RMSI). Further it presents, however the size of company is important to maintain innovative practices to sustain Talent in organization.

As explained by Dr. John Sullivan (September 9, 2013), in his case study, Facebook is one such organization where you can find innovative HR practices which are very unique with their counterparts.

1. *Flexi environment*: Facebook environment is well known for its openness and energy. Employee convenience is utmost important to it. We come across many offices where employees are locked to their seats and has less space to move around. Far from the cubicles, Facebook maintains open floor structure where the employees do not feel suffocating and has more space to move and breathe.
2. *Employee Engagement*: It also goes with good Employee Engagement strategy so as to reduce the boredom and confusion that employees gets out of stress. It encourages them to follow their hobbies. There is a wood workshop at Facebook where the employees can pass their time making wooden sculptures. This develops creativity and imagination in them. It also makes available of certain personal services like laundry services, haircut, acupuncture and medical assistance so as to cater personal needs within the campus. To make the work more easier to its employees, it provides free wifi shuttle buses. It also offers train passes, van pools and free auto parking. Above that, it treats bicyclists with high pride and provides them a full service bike shop on the campus. Further, there are no meetings on Wednesdays so as to avoid interruption from

work. Many employees use this day to work from home.

3. *Recruiting & Internal Movement*: Internal movement within an organization is something beyond the control of any employee. Hackthon process in Facebook is such that it allows employees who have worked on a project for a year to select their own next project team and after working with them for a month, if they like it, they can stay. As a part of Hackthon college recruiting, it visits college campuses and challenges self selected teams to come up with solutions to real technical problems. The finalists are brought to Facebook headquarters for “Camp Hackthon” where solutions are judged and winners get a small prize and offer summer internship. It also use employee referrals to identify top recruits. “Ninja Hunts” a process where recruiters typically ask a group of employees to think about their friends to see if some of them would be great engineers for Facebook.
4. *Women Welfare*: To keep up women employees it offers close in reserved parking places for those who are pregnant. It also offers paid parental leave for both spouses and reimbursement for some daycare and adoption fees and also \$4,000 “baby cash” for new arrival. One of the most compelling benefits it offers is, \$ 600 is paid to employees each month extra for living within a mile of Headquarters, the goal is to easy drop in its employees for free and also to make them work for extra hours when needed. Facebook is also famous for the compelling food it provides. A dozen varieties of ice creams, low fat yogurt, milkshakes, cookies and many more for free and unlimited are available to the employees.

The importance of HR practices has increased to that extent where the small companies also identified importance of Innovative HR practices to attract and retain talent. RMSI, a global IT company providing geospatial and software solutions to clients in sectors ranging from communication, natural resources, land and infra structure, navigation and location based services, it employees three thousand five hundred employees and functions from offices in three different cities Noida, Hyderabad, Dehradun and five international subsidiaries serving clients in more than twenty five nations. RMSI has been ranked number one company to work with in India in the year 2015 by Economic times. Its unique HR practices are such that people are respected and performance is nurtured.

1. *Flexible work environment*: It provides a flexible work

environment, high level of empowerment and accountability where each employee owns his own area of domain, employees' involvement in company's decision which develops high sense of responsibility. Further, leadership skills are developed through mentoring, multi-cultural exposure is given to employees through online work opportunities which prove to be a big take aways in RMSI. Good reward programs are designed to motivate employees towards innovation.

2. *Welfare Programs*: For the welfare of employees, Parenting, relationship counseling, child psychology workshops are also conducted so as to build good bond with the families. To ensure safety for women, self defense workshops, sessions with women police officers are conducted. It also focused health initiatives for women for breast and cervix cancer, thyroid tests and other gynecological problems. Women also have access to extend maternity leave, part time working hours and also work from home options. Interestingly, RMSI also encourages music band, photography club, painting, acting, movie making, guitar classes, zumba lessons to nurture more skills and develop an overall personality.
3. *Training and Development*: RMSI provides Training and development by throwing open new areas. It can keep running a plethora of individual projects simultaneously. (one could map the basmati growing areas, another on assessing soil quality etc) this diversity allows employees to learn new things and grow.
4. *Performance Management*: Performance appraisal which is mostly the critical part for employee growth in any organization, employees in RMSI were not comfortable with their performance appraisal process. RMSI introduced a neutral observer during appraisals to make it completely fair.

Results and Discussion

Namrata Mandloi (2014) elicited that An organization's talent management strategy and investments must align with broader business goals and realities. Many previous studies stated that Companies must create the culture and programs that will best engage and motivate talent in organization because employees prefer jobs that gives them good opportunities. (Mohammed Al Shehri, Patrick Mc Laughlin Ahmed Al Ashaab). The present study rely on the previous studies in many ways. Particularly it explains on how employees can be engaged and give

them a space for learning and growing. To engage talented employees and retain them, a fair performance management plays a major role too. Study contributes to previous literature by (Arti Chandani, Mita Mehta, Akansha Mall and Vashwee Khokhar, 2016) where they opined that an transparent appraisal system engages good employees. Prior researchers have also proven the linkages of innovative Hr Practices by empirically testing the frameworks. The present study also provides deep insights in to evidence pointing towards the importance of innovative practices that an organization needs to acquire and retain Talented employees.

Conclusion

The competitive environment these days present number of opportunities and threats to both employees and organizations. To respond to this turbulence, organizations have to adapt innovative strategies to attract, sustain and retain the talented employees. The talented employees can build a competitive advantage to any organization. So for them, innovative HR practices should be a continuous process. If talented employees are with the organization, organization can easily reach its goals. With the best practices employees feel to work more and try to give out the best to the organization. So it is suggested that all the organizations should build new practices of HR as per the changes happening in the external environment.

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Going Cashless in India: Boon or Bane

M.S. Kokila¹, Kalanjeri V. Satya²

Abstract

Digital economy is the buzz word across the globe. Don Tapscott coined the term “ Digital economy” in his best seller ‘ The digital economy and perils in the age of network intelligence’. This steering of economy towards becoming digitized now aims at converting everyday cash transactions by the citizens into a cashless transactions. It’s a shift in not only technology but also a shift in the behavior as well. Everyone by now has availed internet or digital technology for some service or the other. Cashless economy or cashless means all the transactions carried out between two individuals will occur by payment through payment gateways or through the plastic money. It is done with the primary aim of uncovering the non-registered transactions. The Indian government with another aim to promote the economy through non-cash transactions has introduced mediums such as: Banking cards, USSD, AEPS, UPI, Mobile Wallets, Banks Pre-Paid Cards, Point of Sale, Internet Banking, Mobile Banking, Micro ATM’s. This paper aims to discuss why India has to become cashless economy, Pros and cons of cashless digital economy and preference mode of people towards cashless transactions and also throws out the challenges faced while transforming to digitalize the transactions.

Keywords: Cashless economy; Banking cards, USSD, AEPS, UPI, Mobile Wallets, Banks Pre-Paid Cards, Internet Banking, Mobile Banking, Micro ATM’s.

Introduction

India continues to be driven by the use of cash; less than 5% of all payments happen electronically, the idea of making India a cashless economy is aimed of curbing the flow of black money. Reducing Indian economy’s dependence on cash is desirable for a variety of reasons. India has one of the highest cash to gross domestic product ratios in the world, and lubricating economic activity with paper has costs. According to the study conducted by Tufts University, The Cost of Cash in India , Cash operations cost the RBI and Commercial Banks about Rs 21,000 crore annually. Also a shift away from cash will make it

more difficult for tax evaders to hide their income, a substantial benefit in a country that is fiscally constrained.

It is estimated that the potential for cashless payments are majorly by households in India. Through an extensive household survey across 8 cities (4 metros) involving 3066 households, the bottlenecks which prevent households to make non cash payments were identified. It is identified that 1.38% of all household expenses are done through non cash instruments (2.92% in urban and 0.55% in rural).

Need for the Study

This steering of economy towards becoming digitized now aims at converting everyday cash transactions by the citizens into a cashless transactions. It’s a shift in not only technology but also a shift in the behavior of the consumer as well. Everyone by now has availed internet or digital technology for some service or the other. This paper aims to discuss why India has to become cashless economy, Pros and cons of cashless digital economy Preference of consumers towards cashless

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transactions and also throws out the challenges faced in ontaken to digitalized the transactions.

Review of Literature

Review of literature paves way for a clear understanding of the areas of research already undertaken and throws a light on the potential areas which are yet to be covered. Keeping this view in mind, an attempt has been made to make a brief survey of the work undertaken on the field of Cashless economy. The reviews of some of the important studies are presented below.

Cashless economy is not the complete absence of cash, it is an economic setting in which goods and services are bought and paid for through electronic media.

According to Woodford (2003), Cashless economy is defined as one in which there are assumed to be no transactions frictions that can be reduced through the use of money balances, and that accordingly provide a reason for holding such balances even when they earn rate of return. In a cashless economy, how much cash in your wallet is practically irrelevant.

Annamalai. S. and Muthu R .Iiakkuvan(2008) projected the growth of debit and credit card in the retail transactions, Alvares, Cliford (2009) is of their opinion that the country's battle against fake currency is not getting easier and many fakes go undetected. Ashish Das, and Rakhi Agarwal, (2010) in their article supposed that cash as a mode of payment is an expensive proposition for the government. The country needs to move away from cash based towards cashless (electronic) payment systems. According to Bansii Patel, Urvi Amin, the world glance as per technology changes suitable changes should be adopted by the economy. Ashish Das, and Rakhi Agarwal, (2010) in their article supposed that cash as a mode of payment is an expensive proposition for the government. The country needs to move away from cash based towards cashless (electronic) payment systems. According to Bansii Patel, Urvi Amin, the world glance as per technology changes suitable changes should be adopted by the economy. Nayak ,Tapan Kumar and Manish Aggarwal (2008) in their paper discussed about the factors influencing the selection of credit cards among consumers. R. Shenbagavallii, A.R. Shanmugapriyaamd Y. Lokeshwara Chowdary , in their studies believed that the time has come were the customers need to know the degree of risk involved in the usage of plastic

money

Marco and Bandiera (2004) argue that increased usage of cashless banking instruments strengthens monetary policy effectiveness and that the current level of e-money usage does not pose a threat to the stability of the financial system. However, it does conclude that central banks can lose control over monetary policy if the government does not run a responsible fiscal policy.

Water House Coopers, India's unbanked population was at 233 million. Even for people with access to banking, the ability to use their debit or credit card is limited because there are only about 1.46 million points of sale which accept payments through cards.

Digital economy will be all about use of information in some form (Gardin, 2002). Benefits offered by digital economy are unevenly distributed among the society (Bouwmann, 1999).

According to Lindsey Anderson and Irving Wladawsky- Berger four main aspects are required to succeed in cashless economy.

- a. *Customer expectations*- which keeps on improving and getting better but then, expectations have increased manifolds.
- b. *Product enhancements*- digital technology has created a new set of industry altogether. Above all, no industry interface seems to be untouched.
- c. *Collaborative innovations* such as Paytm and Uber after Uber's job is over (customer reaching destination) Paytm takes over (payment for the ride).
- d. *Organization forms* - Here they opine that market needs to have strategies for restructuring and create new organizational culture to better manage global expectations.

Objectives of the Study

Objectives of present study are as follows:

1. Need for India to become cashless economy,
2. Pros and cons of cashless digital economy and throws out the Challenges to digitalize the transactions.
3. To assess the preparedness for the implementation of the cashless economy by Indian Government.
4. To know the availability of various cash less payment systems.
5. To ascertain the preferred mode of cashless transactions.

What is Cashless?

Cashless economy or cashless means all the transactions carried out between two individuals will occur by payment through payment gateways or through the plastic money. It is done with the primary aim of uncovering the non-registered transactions.

Various Modes of Non Cash Transactions Available in India

The Indian government with another aim to promote the economy through non-cash transactions has introduced mediums such as: Banking cards, USSD, AEPS, UPI, Mobile Wallets, Banks Pre-Paid Cards, Point of Sale, Internet Banking, Mobile Banking, Micro ATM's. Reducing the economy's dependence on the cash and making it more deviated towards these mediums would result into the betterment of the country and the economy.

Importance

The cashless economy has importance attached to it in the following ways:

The cashless economy needs to be present as the financial year of 2015 experienced the hefty amount of Rs. 21,000 crores just on the printing of the cash into the economy. The other need for the cashless economy can be studied by the benefits the economy accrues as mentioned below:

Benefits of Cashless Economy

The following are the benefits identified when the economy transforms into cashless economy

1. It will curb generation of black money and It will also reduce real estate prices because of curbs of black money, as most of black money is invested in real estate which inflates the price of Real estate markets.
2. Reduced instances of tax avoidance because it is financial institutions based economy where transaction trails are left.
3. There will be a efficiency gains as transaction costs across the economy should also come down, operating costs of ATMs will also reduce
4. There will be a greater efficiency in welfare programs as money is wired directly into the accounts of recipients.
5. In a cashless economy there will be no problem of soiled notes or counterfeit currency..
6. Speed and satisfaction of operations for customers, no delays and queues, no interaction

with bank staff required. Making online payments are handy and it will lead to slim wallets as people need not carry cash.

7. Electronic payments will help business people to boost their customer base even in far of geographic locations and hence will result in enhanced business
8. Electronic payments will improve transparency and accountability.
9. Majority of election funding is done through Black money. Cashless transactions will make it impossible for political parties to spend thousands of crores of unaccounted money on elections.
10. Amount of tax collected will also increase, and it can be spent for the betterment of poor and under privileged people.

Cons of Cashless Economy in India

1. Many of the rural people and even some urbanites still do not have a functional bank account in order to make online payments.
2. A majority of Indian population is in rural locations, and there are no proper internet facilities available to make online payments.
3. People in rural areas are not educated about the digital mode of payments.
4. There are still some places which take cash and do not accept cards. Making a purchase at such locations with card becomes difficult. Small retailers in India still deal only in cash as they cannot afford to invest in digital infrastructure.
5. If you lose your debit/credit card, it takes some time to get a new one.
6. Hacking and cyber theft are challenging problems which can be caused by online transactions. Cyber Security measures have to be brought in place to prevent money going into wrong hands.
7. Even in big cities, sometimes online transactions cannot be made because of poor internet facilities.

Challenges in Making India a Cashless Economy

There are number of hurdles in making India a cashless economy.

1. *Digital Literacy:* More than half of the nation still does not know how to use a computer. People in rural areas still don't know about smart phone. Besides, there is lack of internet facilities and without it a country cannot become cashless.

2. *Few Banks in villages:* There are several villages and Tehsils that don't even have one. More the banks, more the cash deposits in accounts. Banks in villages should be helpful in teaching the residents the process, usage and benefits of plastic cards.
3. *Low Literacy Rate:* Low literacy rate hinders the accessibility of banking services. Citizens should not only know how to read and write but also possess basic ICT literacy to fully enjoy the benefits of e-payments.
4. *Language Barrier:* Internet is an English based platform. The details on the plastic card are also in English. The message received on mobile regarding transaction is also in English.
5. *Costly Swipe Machines:* Swipe machines are also not subsidy free. It can only be afforded by rich shopkeepers.
6. About 90% of the workforce, this produces nearly half of the output in the country works in the unorganized sector. It will not be easy for the informal sector to become cashless.
7. India is dominated by small retailers. They don't have enough resources to invest in electronic payment infrastructure.
8. There is a general preference for cash transactions in India. Merchants prefer not to keep records in order to avoid paying tax and buyers find cash payments more convenient.

The following table 1 shows the preference of consumers towards non cash transactions among 200 respondents surveyed in Bangalore for this study.

Table 1: showing the preference of payment using wallets

Name of the wallet	Respondents	percentage
PayTM	98	78.7%
State bank buddy	18	12%
ICICI pocket	5	2.5%
Axis bank	4	2%
Phone e charge	10	5%
Olo money	12	6%
HDFC wallet	15	7.5%
Mobikwik	1	0.5%
Airtel money	2	2%
None	35	17.5%
Total	200	

Source: Primary data

Inference

The table 21 elucidates the fact that the majority of the respondents say 78.7% preferred to use PayTM wallet to make their payments and 12% used State Bank Buddy, and 6% used olo money, 7.5% used HDFC Wallet and 17.5% did not make use of any wallet and they made only cash payment in Indian Currency

Steps taken by the Government of India and RBI towards Cashless Economy

In a country like India where cash is more pervasive it requires sometime for India to take a transition towards Cashless economy. Meanwhile the government of India has to address many challenges to meet the objectives of cashless economy. The government has to provide internet facilities and financial literacy to all its people. While a cashless economy is still not here, the move towards less cash economy is on the move.

The steps taken by the RBI and Government of India towards cashless economy.

1. Government is promoting mobile wallets. Mobile wallets allow users to instantly send money, pay bills, recharge mobiles, book movie tickets, send physical and e-gifts both online and offline.
2. Promotion of ecommerce by liberalizing the FDI norms for this sector.
3. Government has also launched UPI which will make Electronic transactions much simpler and faster
4. Government has also withdrawn surcharge, service charge on cards and digital payments
5. Abolishment of government fees on credit card transactions, reduction of interchange fee on card transactions
6. Tax rebates for consumers and for merchants who adopt electronic payments
7. Making Electronic payment infrastructure completely safe and secure so that incidents of

cyber crimes could be minimized and people develop faith in electronic payment system.

8. Creating a culture of saving and faith on financial system among the rural poor

Conclusion

Though it will take time for moving towards a complete cashless economy, efforts should be made to convert urban areas a cashless economy. As 70% of India's GDP comes from urban areas if government can convert that into cashless it will be huge gain. Therefore different strategies need to be planned for migration of cashless for those having bank account and for those not having.

We have to embrace the truth that the stage of payment system development in a country, to a large extent depends on the adoption of technology, introduction of new payment instruments and the confidence of the public in using these payment instruments. In India, cash still continues to predominant payment mode. Hence technology must be harnessed in the most appropriate way to utilize the full potential.

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Impact of Market Orientation on the Student Satisfaction of Business School in Hyderabad and Rangareddy District of Telangana State

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Abstract

The turbulent business environment today is challenging both to the corporations and also to the higher education in general and business management education in particular demanding focus on strategies to face them. Therefore, this study was conducted to investigate the effects of such strategy namely, market orientation on the student satisfaction of Business Schools in Hyderabad and Rangareddy district of Telangana State. The effects of perceived market orientation are visualized on different dimensions of student satisfaction which were developed for Business School specifically. Data was collected 360 students of 30 randomly selected from AICTE approved B-Schools. The correlation and regression analysis was performed to test the hypothesis. The findings confirm the relationship of market orientation and student satisfaction. It was also found that market orientation has positive and significant influence on student satisfaction. This study points out the importance of market orientation in Business Management Institute. The Business educational institute with high level of market orientation will have higher level of student satisfaction and that will lead to growth in admission enrolment, increase student retention and create positive word of mouth.

Keywords: Business School; Market Orientation; Student Retention; Word of Mouth.

Introduction

The last few decades have witnessed growing number of researches aiming at operationalizing the concept of market orientation. The study of market orientation has been extended from manufacturing sector to service sector and even to not-for-profit organizations (Caruana et.al., 1998 [1]; Keneley and Hellier, 2001 [2]; Webster et.al., 2006[3]). In this dynamic environmental changes higher educational institutions face many challenges. Marketing literatures on market orientation suggest that those challenges can be overcome by implementing market orientation to such institution. This paper contends the relevance of market orientation strategy in

Business educational institution, especially it effects on major stakeholder (student) satisfaction of business school. In business education context there are enough reasons for the implementation of market orientation strategy like moving towards professionalization of Business schools, budget cuts and constraints, Stakeholders changing requirement and so on. Business education or higher education has to respond to those changes (Bricall, 2001 [4]; Coaldrake, 2002 [5]) and implement marketing strategies.

Review of Literature on Market Orientation

Market orientation is a topic of interest for many researchers in recent times. However, a brief review of market orientation research is presented in this section. According to Kotler (1972) [6] and Kohli and Jaworski (1990) [7], market orientation is implementation of marketing concept. Market orientation in conceptualization has focused two important approaches and considered to be widely used and tested by the researchers at different times like Kohli and Jaworski's (1990) [7] model of market orientation

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and Narver and Slater (1990) [8] model of market orientation. According to Kohli and Jaworski (1993) [9,10], market orientation is explained by three behavioural dimensions as (i) organization-wide generation of market intelligence pertaining to current and future needs of customer, (ii) dissemination of intelligence within the organization and (iii) responsiveness to it. Market intelligence generation refers to collection and analysis of the data regarding customer needs and wants and the environmental forces which influence the development of customer needs. Intelligence dissemination refers to the process of communicating and involving all the functions, divisions and departments of the organization for the collection and assessment of market information. Whereas, responsiveness refers to the action taken to response the gathered market information.

The second model given by Narver and Slater (1990) [8], defined market orientation as customer driven organizational culture where all the department, divisions and functions will work closely to create superior value for the customer on regular basis. They mentioned three behavioural components namely customer orientation, competitor orientation and interfunctional coordination and two decision criteria namely long-term focus and profitability in their model. Customer orientation refers to the sufficient understanding of customer's needs and wants to create superior value for them. Competitor orientation refers to analysing and understanding competitors and their strength and weaknesses and long-term capabilities and their market strategies to compete and gain competitive advantage in the eyes of customer (Porter, 1985[11]). Interfunctional coordination means coordinated effort by all the department and functions right from gathering information of customer and competitors and take action. Thus, both the model explains superior customer value creation by all the function and departments and also confirm that creating value to the customer is not the primary job of only marketing functions but all the other functions also. The above discussed models have been extensively used in empirical research (Carr and Lopez, 2007 [12]; Ellis, 2005 [13]; Pitt et al., 1996 [14]; Greenley, 1995 [15]; Deshpande et.al., 1993 [16] and soon).

There is considerable amount of research done on the relationship of market orientation and business performances. Narver and Slater (1990), investigated that market orientation has significant influence on business profitability and they also mention that market orientation creates knowledge and coordination in an organization to perform better (Slater and Narver,1998 [17]). Importance of market

orientation in different socio-economic environments to get better business performance was explored by Zebal & Quazi (2011) [18]. The relationship between market orientation and business performances was confirmed by many other researchers at different times (Snoj et. al., 2007 [19]; Hammond et al, 2006 [20]; Kaynak and Kara, 2004 [21]). Market orientation has significant impact on financial and marketing performances regardless of different organizational structure were confirmed by Green et.al., (2005) [22]. In this connection Sin et.al., (2005) [23], mentioned the positive relationship of market orientation and financial performances such as sales growth, return on investment, market share and return on sales etc. and also marketing performances such as customer satisfaction, customer retention and customer trust and loyalty. Market orientation creates learning organization which reinforce performances with regard to economic and non-economic outcomes of an organization (Santos-Vijande et.al., 2005 [24]).

Market Orientation in Higher Education

The existing literature on higher education and market orientation suggest that market orientation is necessary to face the changing environment of higher education. The governance of the higher education must adopt market orientation (Braun and Merrien, 1999 [25]). There is considerable amount of literatures available where it says market orientation and customer orientation should have evolved in quality system of any higher educational institution to achieve sustainability in performances (Hooley et al., 2001 [26]; Davies, 2001 [27]; Day,1994 [28]; Wong and Saunders,1993 [29]; Barney,1991 [30]). According to Haug (2001and 2002) [31,32], higher educational institutions face many challenges for increasing competition among national and international institutions and students have variety of institutes and courses to choose for their studies which may affect the sustainability of a higher educational institute. He opined that institutions with such challenges must adopt market orientation in the strategic process to overcome those challenges and get greater performances. Many researchers who empirically tested the Kohli and Jaworski's (1990) construct and Narver and Slater (1990) construct on market orientation in higher educational institution and found its significant relationship with institute's performances (Flavian and Lozano, 2006; [33] Webster et.al., 2006 [3]; Kenely and Hellier, 2001 [2] Wasmer and Bruner, 1999 [34]; Caruana et. al., 1998 [1]). According to Siu & Wilson, 1998 [35], University management plays an important role in creation of market oriented organizational culture and this

culture will certainly improve all the important activities which lead to performances of a University. Any higher educational institute or University should include student centric approach in their mission statement and meeting the expectations of the students should be the primary aim of the institute and thus market orientation will be developed (Hemsley-Brown and Oplatka, 2010 [36]).

Student Satisfaction as a Performance Measure in Higher Education

The literatures in higher education shows continuous debates on who is customer? However, the student as customer of higher education was accepted by many researchers (Ostrom et. al., 2005 [37]; Hemsley-Brown and Oplatka, 2006 [38]; Cuthbert, 2010 [39]; Caru and Cova, 2003 [40]). Marketing literatures suggests that customer satisfaction as performance measures while identifying the impact of market orientation on customer satisfaction (Patterson, Johnson and Spreng, 1997 [41]; Grönroos, 1990 [42]; Kreppa, Areti, et. al., 2003 [43]; Narver and Slater, 1990; Kohli and Jaworski, 1990). Since students are considered to be customer, it is important to understand the relationship of market orientation and student satisfaction in higher education sector. Diaconu et. al. (2012) [44], opined that market orientation has significant impact on student satisfaction. Tanrikulu, C., Gelibolu, L. (2015) [45], stated that perceived market orientation and the elements of market orientation has significant influence on student satisfaction and building brand equity. They also confirm that student satisfaction has fundamental roles in forming perception of market orientation and brand equity. Therefore, existing literature has confirmed that market orientation has significant effect on student satisfaction.

Relevance of the Study

The business management education enjoys higher status among all kinds of education. In higher education, business education has seen a tremendous growth in the last decade. Presently AICTE (2017) [46] revealed that there are 3232 B-Schools or Management Colleges in India with total of intake of 3,93,035 students. On the contrary, during the last five years around three hundred institutions offering business education have withdrawn offering the courses by winding up their operations (AICTE, 2014; [46] The Times of India, 2015 [47]). In 2017 there are 23 institutes offering business education had closed their operation. A good number of them are

still struggling for survival while the matured established institutes are thriving.

Perhaps, such dismal scenario of the institutes meant for offering management education could be due to certain explicit and implicit reasons of internal and external business environment. Most pertinently the internal reasons may be related to structural and functional issues of these institutions including their management practices like, marketing, HR, Finance and operations of these institutions (Warren G. Bennis & James O'Toole, 2005 [48]). B-Schools are facing varied challenges, encompassing marketing of the institutions to students for admissions and recruiters for placements, managing internal operations, recruitment and motivation of human resources. More recently, it has been also noticed through various online forums and also through literature that the students and faculty satisfaction is lowering consequently the satisfaction of corporate clients is also affected. B-schools should adopt a market or customer oriented approach that focuses primarily on students to improve the service provider-customer relationship. The objective of market oriented institutions is to satisfy customers by coordinating activities around their needs (Levitt, 1960 [49]; Boyd & Walker, 1992 [50]). Many of these institutes have realized the need for establishing marketing function to address some of these challenges. Marketing function addresses inculcating all the employees with market orientation, through training and development activities, to ensure that the institutions perform effectively year after year. Institutional performance is determined by the many financial and marketing measures, however, the present study is confined to one of the marketing performance measures as student satisfaction.

The present study intends to examine the market orientation in the context of the B-schools' students, as they are co-creators of services and also primary customer who receive the services. Therefore, there is a need to understand such marketing efforts, particularly the market orientation perceived by the students and their satisfaction with their institutions.

The main objective of the Study is to address and analyzes the relationship between market orientation and student satisfaction of the B-Schools, perceived by the student.

Oliver (1997 [51]) defined satisfaction is the fulfilment of consumer needs. In higher education, student satisfaction means a short-term attitude formed after evaluating their experiences in the institution. Student will be satisfied if their desired expectations are met (Elliott & Healy, 2001 [52]).

According to Voon (2006, 2007 [53,54]), an organization should perform activities to satisfy its customer. In higher educational context it was found from the previous studies (Casidy, 2014 [55]; Voon, 2006 [53]) that all the dimensions of perceived market orientation positively influenced student satisfaction. Students will be happy and satisfied if their educational institution provide superior value with respect to offering overall experiences of quality on a continuous basis which can be ensured through adoption of market orientation philosophy and practices. Thus, there is a need to understand the extent of relationship of market orientation with student satisfaction in a business school context. Therefore, it is hypothesized that *“There is no relationship between Market Orientation and Student Satisfaction among B-schools as per the student perception”*. Following sections will discuss the analysis and results pertaining to test this hypothesis.

Research Methods

The study was carried out in 30 AICTE-approved select business schools of Greater Hyderabad district of Telangana state in which 13 of them were autonomous business school, 13 were University affiliated business schools and 4 were University departments. While adopting descriptive-analytic research design this study presents the understanding of the status of business school in relation to their market orientation perceived by their very students.

With regard to sampling, students were chosen randomly using their admission numbers allotted by their respective B-schools. As such, the total number of student is 360. A structured questionnaire was prepared to collect the data from students about their personal profile and the modified Narver and Slater

(1990) MKTOR scale were used to measure market orientation. Another scale was prepared to measure student satisfaction from the existing satisfaction instruments different rating agency sources. Response collected through structured interview and also through email by using google docs. Statistical tools such as means, standard deviations, f-values, correlation coefficients and regression analysis were used and the results of the study were presented.

Measures

A 16-item five point Likert type questionnaire was used (1 = SDA and 5 = SA) to collect responses for each item. The perceptions of market orientation were measured in 03 constructs (16 items): Customer Orientation, Competitors Orientation and Inter-functional coordination. The students’ satisfaction was measured through a 29-item five point Likert type of scale items (1 = Very Dissatisfied and 5 = Very Satisfied) used in 3 constructs namely Educational Experience, support services and facilities, campus life. The items were drawn from the B-school survey questionnaires of Career 360, Business Line, Business today. Particularly, the student satisfaction scale items from these three surveys were culled to prepare an exhaustive list of scale items. Data was collected through personal interview and e-mail. Data processing and analysis was done using SPSS v25. Details regarding reliability of the scales are presented in the following section.

The internal consistency of market orientation scale of measurement was assessed by calculating Cronbach alpha coefficients for three dimensions of market orientation individually and also for overall market orientation. Table 1 shows the Cronbach alpha coefficients for each scale are ranged from .792 to .933, which confirms the reliability of scale (Nunnally, 1978 [56]; Santos, J [57]).

Table 1: Details of Market Orientation Scale

S. No.	Scale	Conceptualization	Items	Alpha
1	Customer Orientation	Extent to which student perceive institutes objectives is student centric, whether systemically and frequently measures of student satisfaction ,Institute recruitment and retaining strategy, level of attention to service, faculty and staffs level of commitment to the student needs and desire etc.	7	0.875
2	Competitors Orientation	Perception on institutes adoption of right mix services from the other similar institute, reaction on other institutes strategies pertain to the student satisfaction, encouraging other institutes faculty and staff to interact with students etc.	5	0.792
3	Inter-functional Coordination	Perception on departmental coordination at all level towards creating value for the student, satisfying their needs and upliftment of services, etc. Motto to serve students at all levels.	4	0.872
4	Overall Market Orientation	Sum total of all the above dimension	16	0.933

Internal consistency of Student satisfaction scale of measurement was tested by Cronbach alpha coefficients for three sub-scales of student satisfaction and also for overall satisfaction. Table 2 shows the Cronbach alphas for each dimension ranging from .842 to .949, which confirms the reliability of scale.

Results

The analysis of the data was done in two sections. First section presents the results relating to the profile of the students followed by the next section focusing on the relationships between marketing orientation and student satisfaction in b-schools.

Profile of the Student

In this part, the profiles of student respondent are presented. Various personal characteristics of student

like age, gender, educational qualification, level of studies, pursuing program and their institute types are presented in Table 3.

The table shows that according to the age of the student, majority (55.8%) are between 22 and 23 years of age, followed by 20 and 21 (30.3%) and 24 and 29 is (13.9%). According to the gender of the respondents', majority is male (65%) and the rest female (35%). According to the qualification at graduation level are B. Tech (35.6%) followed by B. Com (27.5%), BBA (15%), B.Sc. (12.5%), BA (3.9%), BCA (2.8%), the remaining few other graduating program (2%). According to the type of institute from where students are studying, majority (53.9%) are from University Affiliated Colleges, followed by (35.6%) AICTE Autonomous B-School and (10.6%) University Department. As per the students currently pursuing program, MBA represents the majority (64.4%) and rest (35.6%) are studying PGDM.

Table 2: Details of Student Satisfaction Scale

S. No.	Scale	Conceptualization	Items	Alpha
1	Educational Experience	Extent to which students are satisfied with the teaching quality, mentoring activity, chosen course or programs, faculty accessibility, academic reputation etc.	7	0.842
2	Support Services and Facilities	Extent to which students are satisfied with the infrastructure, parking, classrooms, library, lab, canteen, transportation etc.	15	0.915
3	Campus Life	Student satisfaction on student diversity, sports and recreation, student clubs, student festivals etc.	7	0.908
4	Overall Student Satisfaction	Sum total of all the student satisfaction dimension	29	0.949

Table 3: Profile of the Student

S. No.	Variables	Mean %	SD
1	Age Group	20-21 (30.3%) 22-23 (55.8%) 24-29 (13.9%)	0.644
2	Gender	Male (65%) Female (35%)	0.477
3	Graduating Program	BA (3.9%) B.Com (27.5%) BSc. (12.5%) B.Tech (35.6%) BCA (2.8%) BBA (15%) Others (2.8%)	1.521
4	Student's Institute Type	AICTE Autonomous (35.6%) University Affiliated (53.9%) University Department (10.6%)	0.632
5	Currently Pursuing Program	MBA (64.4%) PGDM (35.6%)	0.479
6	Level of Study (Year)	1st Year (42.8%) 2nd Year (57.2%)	0.495

According to the level of study of the student majority (57.2%) is in 2nd Year and 42.8% are in 1st Year.

Correlation and Regression Analysis

It was hypothesized that “There is no relationship between Market Orientation and Student Satisfaction among B-schools as per the student perception”. Thus in order to test hypothesis, correlation coefficients were computed in order to explore whether all the study variables were positive and statistically significant as this is a precondition for regression analysis. Results in this regard are presented in the following Table 4.

It is clear from the above table that all the dimensions of Market Orientation are positively and strongly correlated with the all the dimension of Student Satisfaction. Thus, it is also evident from the above table that the overall scale of Market Orientation is positively and significantly correlated with overall Student Satisfaction, qualifying them for further analysis. Thus, multiple regression analysis was conducted treating market orientation as independent variable and Student Satisfaction as dependent variable. This way, the testing of the hypothesis will be complete. Results in this regard are presented in the following Table 5.

Table 4: Correlation of Market Orientation and Student Satisfaction

Sl. No			Customer Orientation	Competitor Orientation	Inter Functional Coordination	Overall Market Orientation	Campus Life Satisfaction	Support Facility Satisfaction	Educational Experience Satisfaction	Overall Student Satisfaction
1	Customer Orientation	Pearson Correlation	1	0.741 ⁻	0.761 ⁻	0.939 ⁻	0.575 ⁻	0.727 ⁻	0.644 ⁻	0.743 ⁻
		Sig. (2-tailed)	-	0	0	0	0	0	0	0
		N	360	360	360	360	360	360	360	360
2	Competitor Orientation	Pearson Correlation	-	1	0.716 ⁻	0.891 ⁻	0.587 ⁻	0.72 ⁻	0.635 ⁻	0.741 ⁻
		Sig. (2-tailed)	-	-	0	0	0	0	0	0
		N	360	360	360	360	360	360	360	360
3	Inter Functional Coordination	Pearson Correlation	-	-	1	0.892	0.525	0.678	0.634	0.697
		Sig. (2-tailed)	-	-	-	0	0	0	0	0
		N	-	-	360	360	360	360	360	360
4	Overall Market Orientation	Pearson Correlation	-	-	-	1	.620	0.78	.700	0.801
		Sig. (2-tailed)	-	-	-	-	0	0	0	0
		N	-	-	-	360	360	360	360	360
5	Campus Life Satisfaction	Pearson Correlation	-	-	-	-	1	0.769	0.499	0.864
		Sig. (2-tailed)	-	-	-	-	-	0	0	0
		N	-	-	-	-	360	360	360	360
6	Support Facility Satisfaction	Pearson Correlation	-	-	-	-	-	1	0.677	0.967
		Sig. (2-tailed)	-	-	-	-	-	-	0	0
		N	-	-	-	-	-	360	360	360
7	Educational Experience Satisfaction	Pearson Correlation	-	-	-	-	-	-	1	0.774
		Sig. (2-tailed)	-	-	-	-	-	-	-	0
		N	-	-	-	-	-	-	360	360
8	Overall Student Satisfaction	Pearson Correlation	-	-	-	-	-	-	-	1
		Sig. (2-tailed)	-	-	-	-	-	-	-	-
		N	-	-	-	-	-	-	-	360

Table 5: Multiple Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	17.461	3.453		5.056	0.00
	Customer orientation	1.302	0.218	0.33	5.985	0.00
2	Competitor Orientation	2.024	0.285	0.366	7.094	0.00
3	Inter-functional coordination	1.2	0.337	0.194	3.559	0.00

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F Statistic	DF	P=(sigma)
1	.815 ^a	0.665	0.662	12.97755	222.046	3,360	.000 ^b

a. Predictors (Constant): Inter-functional coordination, Competitor Orientation, customer orientation

a. Predictors (Constant): Inter-functional coordination, Competitor Orientation, customer orientation

From the above table, it is interesting to note that of all the predictors variables namely customer orientation (Beta = 0.33, P = 0.00), competition orientation (Beta = 0.366, P = 0.00) and interfunctional coordination (Beta = 0.194, P = 0.00) yielded significant beta coefficient. To be more specific if customer orientation improves by one unit, student satisfaction will increase by 0.33 units significantly. Similarly, if Competitor orientation and interfunctional coordination improves by one unit, student satisfaction will increase by 0.36 units and 0.19 unit, respectively.

The coefficient of determination yielded value of 0.662 which is statistically significant evident from F statistics presented in the table. This means all the predictor variables namely customer orientation, competitor orientation and Interfunctional coordination put together explained 66 percent of change in student satisfaction. Their remaining 34 percent of change may be because of extraneous variables.

Thus, the null hypothesis "There is no relationship between Market Orientation and Student Satisfaction among B-schools as per the student perception" stands rejected and the alternative hypothesis "There is significant relationship between Market Orientation and Student Satisfaction among B-schools as per the student perception" is accepted.

Market orientation is an attitude of employees of an organization has a potential to determine quite a number of possible outcomes both for the organization and for its stakeholders, particularly, the user or consumer. One such positive outcome is satisfaction with the service offered by such

organizations. Interestingly, attitude begets attitude. This study brought to light an observation of relationships between market orientation as an attitude of employees which was observed by the users. The case in point is the B-schools' students reflecting upon market oriented nature of the faculty and staff of the business schools and thereupon its influence on the satisfaction with the overall services offered in the institute. In other words, as market orientation of employees increases student satisfaction improves positively and significantly. All dimensions of market orientation namely customer orientation, competitor orientation and interfunctional coordination are the real predictor of satisfaction.

Implication and Conclusion

The purpose of the study is to identify the association between market orientation and student satisfaction of B-Schools in Hyderabad and Rangareddy district of Telangana state. It is evident from the correlation that there is positive association between market orientation and satisfaction of the students. This study also confirms that when the Business School become student (customer) oriented they need to develop strategies and perform activities to bring satisfaction among students regarding their educational experience, campus experience and experience from the support services of business school. Developing market oriented strategies means to develop strategies to fulfil the current and future needs of the customer more than the competitors do. For a business school, strategy must be formulated according to students needs and desires and by doing so student will get satisfaction and satisfaction will

lead to positive word-of-mouth from the students to potential students which will help the Business School to get demand for the enrolment of the courses offered and such demand will help to ensure quality student intake in the business school. Student satisfaction can also ensure student retention by number of withdrawal during the course can be minimized. This value offering gives a market oriented Business School a privilege of students' satisfaction which give reason to students to stay loyal with the Business School. All this will consequently help B-schools to achieve higher financial performances such as good number of enrolment bring revenue to the institute and student retention means minimum occurrence of losing revenue, achieving student loyalty means gaining preferences for the institute compare to competitor institutes means gaining higher market share (Niculescu et al., 2009 [58]; Zebal and Goodwin, 2012 [59]). All these outcomes are possible if students are continuously satisfied and Business Schools' successfully adopting market orientation.

With the development of Business Educational Institution in India as well as in the World, the importance of market orientation to provide students' satisfaction was emerged in the marketing literature. In the light of findings from the results, it can be concluded that market orientation increase student satisfaction in business schools. The managers in business educational institutions must make concrete efforts to promote market oriented culture in their institutions by taking into consideration of student orientation, information collection about changing needs and preferences of students and provide superior value from the competitor by improving their inter-functional coordination and immediate responsiveness to enable B-schools to satisfy their students and profitability through growth in enrolment and enhance B-schools performance.

This study offered potential opportunities for future research, firstly, as this research was done only on Business Schools of Hyderabad and Rangareddy district of Telangana state, it can be extended to the B-schools of entire country. Secondly, the research can be done on how to improve market orientation in business schools. Thirdly, it can be investigated that the effect of market orientation towards financial performances of business school and also a longitudinal study can be done to see the effect of student satisfaction towards increase in enrolment and financial performances. Lastly, there are more avenues of future research available to the same topic right from developing a new construct or identifying antecedents and consequences of both the study

variables. Such efforts, in the long run will enhance professionalization in B-Schools resulting in increased corporate client satisfaction and student satisfaction. Eventually, long-term survival in institution of higher learning.

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Development of Digital Marketing in India

K. Rajeswari¹, P. Prashanthi²

Abstract

Digital Marketing is one of the fast and raising sectors in India. Digital Marketing Industry is booming not only in India but all over the world. To satisfy the needs of the people in the competitive world, the organizations are coming forward through digital marketing to face the day to day challenges with the help of the social media portal. Any customer who uses Computer, Smartphone or Tab for their business transactions have high impact on digital marketing. It is convenient for business people to manage and utilize the tools of digital marketing as per their requirements and budget. This paper discuss about the role of digital marketing, benefits, applications and career opportunities in digital marketing industry.

Keywords: Digital Marketing; Social Media; On Line Trading; Search Engine Optimization.

Introduction

Generally Digital Marketing means all forms of marketing which uses the Digital Medium. Digital Marketing is fully involved and incorporates with internet and Technology. With the utilization of Internet and mobile, the Digital Marketing plays a vital role in all over the country. Digital marketing not only share their products and services through online but also gain clients to enhance the business for the purpose of business. Functionalities of Digital Marketing are more competent, effective, result-oriented and measurable, which make it very different from traditional marketing [8].

Objective of the Study

- A. To study the need of Digital Marketing scenario in India.
- B. To know the applications of Digital Marketing.
- C. To understand the benefits of Digital Marketing.

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- D. To know the opportunities Future Job prospect in Digital Marketing.

Research Methodology

The data used for this research is descriptive and qualitative from secondary sources. This data has been filtered and analyzed in a structured format. Since the topic is evolutionary and is subject to fast changes, only the qualitative data updated from time to time is used. The main source of data collection is wiki, websites, blogs, YouTube, books, articles and journals.

Need for Digital Marketing

- Develop deeper understanding of target audience.
- To track the needs of targeted audience.
- To develop better understanding of customers.
- Helps the product development to innovate better products.
- It helps customer service to productively address customer needs and complaints.
- To gain a competitive edge.

A. Digital Marketing Scenario in India

The number of internet users in India is expected to reach 500 million by June 2018 said a report by the

Internet and Mobile Association of India (IAMAI) and Kantar IMRB. The number of Internet users stood at 481 million in December 2017, an increase of 11.34% over December 2016 said the report titled, "Internet in India 2017 [5]". The scenario to access social media such as You Tube (51%), video/Audio Conference, Twitter (56%), LinkedIn (51%), Facebook (89%), Google (78%), Blogs, Instagram, Snapchat, Web pages

and other portals has changed a lot over the past few years. Name every major company in the world marketing Strategies are Digital. In India digital Marketing Industry is spread all most all over the business sector [1]. The impact of digital marketing in business sector is to make our work easy, convenient, and comfortable at any time and everywhere.

Total Media, Digital and mobile Internet Ad spending in India, 2013-2019
(Figures in USD Billion)

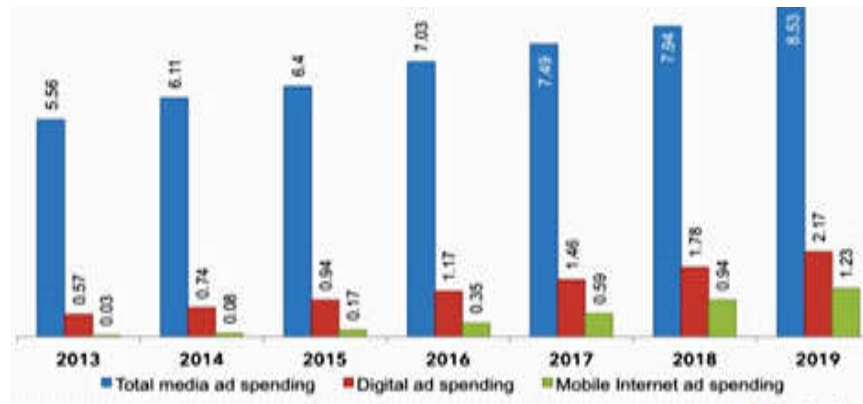


Fig. 1: Analysis of Total Media, Digital and mobile Internet Ad spending in India, 2013-2019[1]

Source: e marketer, march 2015

B. Applications of Digital Marketing

The applications of digital marketing are online banking, online transactions, online Shopping, Online Trading, Online Tracking, Payment Systems, Audio/Video Advertisements, and content managements.

Types of Marketing

1. Offline Marketing (Traditional Marketing)

Traditional Marketing: In traditional marketing the mode of communication is unidirectional and it can do through phone calls, e-mails and letters. It can reach only for local audience and consumes more time. It is very difficult to measure the effectiveness of traditional marketing campaign.

2. Online Marketing (Digital Marketing)

Digital Marketing: Communication is bi-directional where business and customers can interact with each other easily by using social media tools such as websites, chats, apps and e-mail. It is very effective to reach global audience. Through different analytical tools we can measure the effectiveness of a digital marketing campaign.

Different Types of Digital Marketing

- *Social Media Marketing:* Social media marketing or SSM is one of the powerful and easiest way to reach the people. SSM is a form of Internet marketing which involves sharing and creating content on social media networks to achieve marketing goals.
- *Search Engine Optimization:* SEO will give answers for enormous questions.
- *Pay Per Click Campaign:* PPC is an online advertising model where the business people can display ads for their goods and services. When people search anything relevant query online, these advertisements will display relevant information.
- *Google Adwords PPC and Display:* It is one of the advertising services provided by the Google for business to display ads on the network.
- *Mobile Marketing:* It is one of the streams that aim to reach people by smart phones or mobile devices. It ensures website user friendly and starts sharing and communicating new products or launches through SMS on mobile. This is convenient and comfortable way to reach the people in and around the city.

C. Benefits of Digital Marketing

The power of Digital Marketing allows geophysical barriers to disappear consumer and business on earth potential customer and supplier. Digital marketing provides good economic growth in the country. The growth in the digital marketing trends is making a very substantial impact on marketing and advertisement [2]. The main advantage of digital marketing is that a targeted audience can be reached in a measurable way, at low cost and within a short period of time.

The top benefits of digital marketing [7]

- **Measurable results:** In digital marketing we have the account and proof of every transaction done by the customer.
- **Personalized messages:** With the help of digital marketing we can reach the target audience and easily identify the needs, taste and performance better. This helps us to cater them perfectly through personalized messages and boost the prospects.
- **A Cost-Effective tool to market brands:** Digital Marketing is the more affordable way to advertise our product in the website.
- **An opportunity to reach larger audiences:** Within the short time we can reach the target audience globally and can promote our business.
- **Flexibility to re-plan and re-strategize:** Flexibility can be done based on existing feedback analysis from customers. Based on the regular analysis of their performance the company if need any changes can easily re-plan or modify the product

- **Improved conversion rates:** With the help of digital marketing the price of the products can be known easily to the customers by clicking the ads.
- **A chance to engage with the customers:** The success mantra to win digital marketing is to engage the people according to their interests. The interaction and engagement is the best way to attract their attention and convey the product ideas.

According to a report by International Journal of Advanced Research Foundation, 2013-2018 is golden period for India with rapid growth of e-commerce enterprise in digital marketing is very high with the help of the internet and social media portal [2].

D. Future Job prospect in Digital marketing

Digital marketing is a creative spark for those who have passion for the internet [3]. Whatever the situation comes trying to do something new and the innovative never goes down. The scope of digital Marketing is incredibly increasing for the online buyers, seekers and sellers. Every brand in India using the technology such as SEO (Search Engine Optimization) to promote their products Digital Marketing technique is one of the most affordable way to buzz the business without paying much money for the online advertisements [2].

The pay scale for the Digital Marketing employer is high though they are fresher. Some of the digital marketing jobs profiles are SEO Analyst, SEO Executive, Content Manager, Digital Mapper, Social media marketing manager, Product Marketing Manager. Search Engine Marketing (SEM) Specialism, Product management, Web Analytics, Marketing-business analytics online marketing management, among others.

Social media jobs which are expected hot in next 2-3 years



Fig. 2: Analysis of Social media jobs in the next 2-3 years [12]

Conclusion

Digital Marketing is one of the efficient ways to promote their product and improve the quality of the business to reach globally. Career sector of the digital marketing is undoubtedly boom. Truly digital marketing will reach every person in the country with an access to a Smartphone and internet connection.

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Applying Data Analytics for Human Resource Management: Opportunities & Challenges

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Abstract

The HR function, which earlier relied more on the cognitive and intuitive abilities of people at the helm, is fast becoming data-driven. Everything has to be proved and proved with reliable data for any important decision to be taken, as it impacts the business at the end of the day. The solution lies in the application of Data Analytics in the area of Human Resource Management. Data Analytics has started adding immense value to the HR discipline as more and more strategic decisions are being taken based on the insights provided by its application in organizations. This paper proposes to understand how organizations can employ Data Analytics for improving their people management function. A qualitative analysis will be presented on the information gathered from both primary and secondary sources to understand what organizations have done to leverage their data for better decision-making at the strategic level. It is also proposed to understand the factors that have been deterring organizations from adopting analytics for people management.

Keywords: HR Analytics; Factors; Strategic; Challenges; Leadership.

Introduction

Data Analytics has long transformed the way data is analyzed and the way business decisions are taken. The HR function however lagged most of the other business functions like Marketing, Sales, Operations Management, Purchase, and Financial Management when it came to adopting analytics. Nevertheless, the new premise is that accurate and reliable people management decisions based on data analytics are going to impact the business in a big way. These decisions are in fact considered to be the most significant, because if the people decisions are right, which means that organizations are recruiting, rewarding and retaining the right people, then they

would make all the right decisions for the business to thrive.

Analytics has transformed HR into a more reliable and authentic strategic partner. One of the disadvantages of HR earlier had been the intuitive decision-making approach. Analytics has equipped HR with facts and figures which have empowered it to speak the business language and share the table with other functions like production, marketing and finance. Though it cannot be claimed that HR has gained the targeted expertise, it is certainly moving in the right direction to leverage the enormous data available with it for improved performance of business as a whole.

Over the last few years, there has been a lot of discussion in the industry as well as the academia on the effectiveness of data analytics in creating value for the organization. In the process, it has been realized that Data Analytics can help in defining the strategic contribution of HR.

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Proposed Process for Implementing HR Analytics

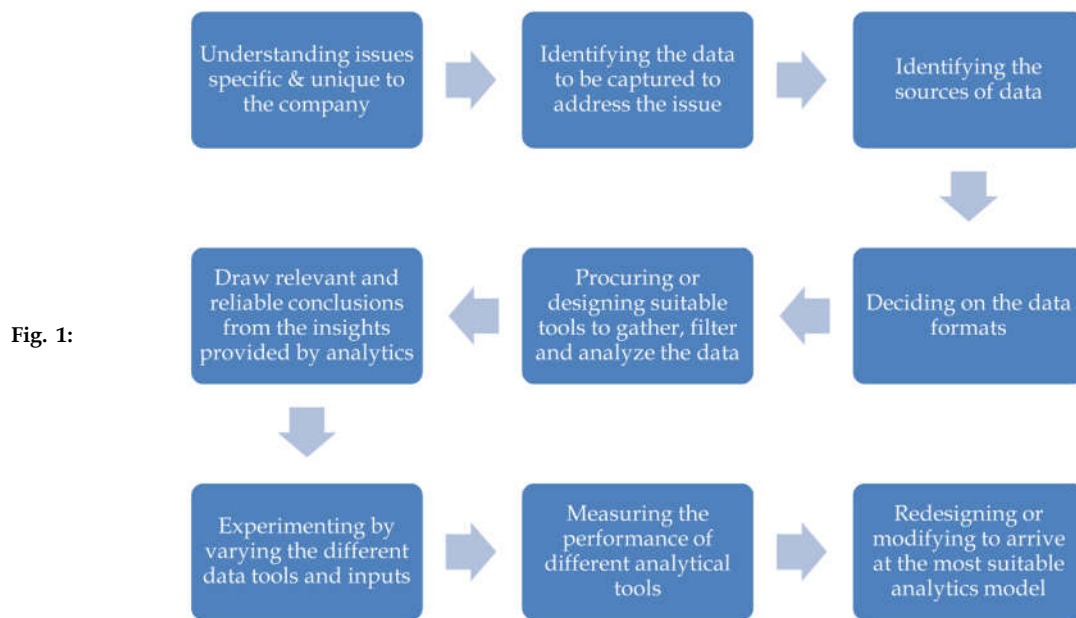
There is enormous amount of data being generated across the globe. Rapid technological development

leading to improved tools to capture data and enhanced capabilities to analyze them, is one of the biggest drivers.

The speed at which the data is being generated is unimaginable. We are talking of live streaming data, zeta bytes of data and real-time analysis of this data for maximum benefit. One of the most important characteristics of Big data is the variety of data in terms of the sources and the formats. Data can be either structured or unstructured, captured from multiple sources in text, audio or visual formats. Scholars and experts in the field of big data attribute its success and reach to its four characteristics, namely Volume, Velocity, Variety and Value. As the

complexity of data increases, the challenges are abound for the companies capturing and analyzing it. In fact, one of the biggest challenges for organizations today is understanding what needs to be captured, what needs to be analyzed and in what combination.

The data collected is normally very low on value density as most companies end up capturing terabytes of unwanted and unrelated data. So, organizations can do a much effective job on the analytics front, if they set out after gaining clarity on what needs to be done, where to get the data from, what needs to be filtered out, what needs to be analyzed, how and what insights are to be gained from the analysis.



The HR departments have been trying to apply analytics in areas with major issues or in areas of maximum impact. The different functions of people management and how analytics has made a difference are discussed here. Google, one of earliest companies to appreciate the impact of analytics in people management, employed big data analytics to revolutionize the working of the HR function in the organization. The people analytics team at Google reports directly to the Vice President, which speaks volumes of the importance attached to people analytics in the company. The basic concept is to replace individual opinions, feelings and intuitions by data and metrics. This is applicable for all the critical and not-so critical decisions of the company. Google's initiatives in different functions of people management are discussed along with the examples of other companies which are doing path-breaking work.

Companies across the world and especially in India, can adopt the framework shared and emulate the best practices of some of these pioneering companies. There are a large number of analytics tools available, which can be customized to suit the specific requirements of organizations.

The IBM and MIT survey emphasizes the growing importance of analytics, especially people/HR analytics. The survey notes that

- Analytics is a differentiator for top performers
- Data is not the biggest obstacle, but lack of understanding of analytics is
- Leaders are committed to make data add value

Data Analytics in HRM is here to stay, as most business and technology leaders have realized the phenomenal benefits it can accrue to the people

management function. The challenge lies in getting on to the path of Analytics early and in the most effective manner.

Opportunities and Challenges for HR Analytics

A good number of companies have started applying analytics across different functions of human resource management. Starting from human resource planning to recruitment to employee engagement, organizations have been adapting their processes and systems to apply data analytics successfully. Organizations globally have been trying to build a data-driven or algorithm based decision-making system.

According to a Hay Group Study, the impact of data analytics on ROI can be as high as 10-12 percent in sales while it can be as high as 70-80 percent in service industry. The attrition rates can be reduced by 54 percent, by focusing on employee engagement and reducing hiring errors. Though there is a lot of buzz on HR or people or workforce analytics, the fact of the matter is that this field is still in its nascent stages in the first quarter of the 21st century.

Opportunities for HR Analytics

Data Analytics has opened a world of opportunities for better talent management in organizations. What the HR could do well earlier, can now be done even better with the support of analytics. The biggest advantage however has been in terms of respect and recognition for HR, at par with the revenue generating functions like production and marketing. Analytics has given this impetus to the people management function.

Accurate Manpower Planning

Manpower planning has become extremely challenging in a work environment ridden with volatility and uncertainty. The Gen-X and Gen-Y employees, being highly spirited, have lower levels of allegiance when compared to their predecessors. This is perhaps one of the biggest challenges that organizations today face in terms of talent management. MINACS (now part of Concentrix), a technology and outsourcing company, employs analytics for effective workforce planning. Google too, employs its in-house developed analytics tools for ensuring that its human resource planning and talent management functions run together to ensure smooth functioning of the organization growing a phenomenal rate. SAP, one of the key players in the

HR analytics market, offers SuccessFactors Workforce Planning, a tool that helps organizations plan their manpower requirements better.

Error-Free Hiring

Google makes its hiring decisions based on an algorithm, which determines the candidates with the highest probability of success after hiring. Based on the insights provided by big data analytics, it has brought down the interview rounds radically to four. On the assessment front of analytics, they found that they have missed recruiting the right candidate only in 1.5 percent of the cases. Google also applied data analytics to ensure better diversity when recruiting and promoting. Another example in case is Xerox, which benefited greatly as its call center attrition rates reduced by over 20% using Big Data. Xerox, based on the insights, also reduced its recruitment errors and thereby the associated costs.

Superior Performance Management

In today's corporate world where employee performance as an individual or as a team player, is of supreme importance, tracking performance and managing it is extremely critical. Analytics can add immense value to performance management and enhancement in an organization at multiple levels. McKinsey partner Sapience's software provides its clients insights on how their workers spend their time. The client gets information on the time spent in meetings, on conversations over the phone, on answering emails and on different things they do on an average day at work. This would help the employees be conscious on how they spend their time at work and thereby improve productivity. The performance differential of an exceptional technologist at Google is 300 times higher than that of an average one, as determined by their analytics. Inputs like this help in designing and executing an effective reward system which in turn helps enhance the employee performance.

Enhanced Employee Engagement

Employee engagement has been one of the KRAs for today's HR departments across organizations. Low levels of engagement or rather disengagement, lead to low productivity and high absenteeism/turnover. Organizations can no longer be complacent and rely on the cursory annual survey to gauge the levels of employee engagement. Analytics has equipped organizations to track and monitor employee engagement levels on a real time basis,

leading to enhanced commitment and productivity. Organizations can design their own solutions or employ tools like TINYpulse and eNPS, which are available in the market. Employing intelligent tools helps measure *actual* engagement levels rather than *what the employees say to just please the management*.

Intensive Leadership Management

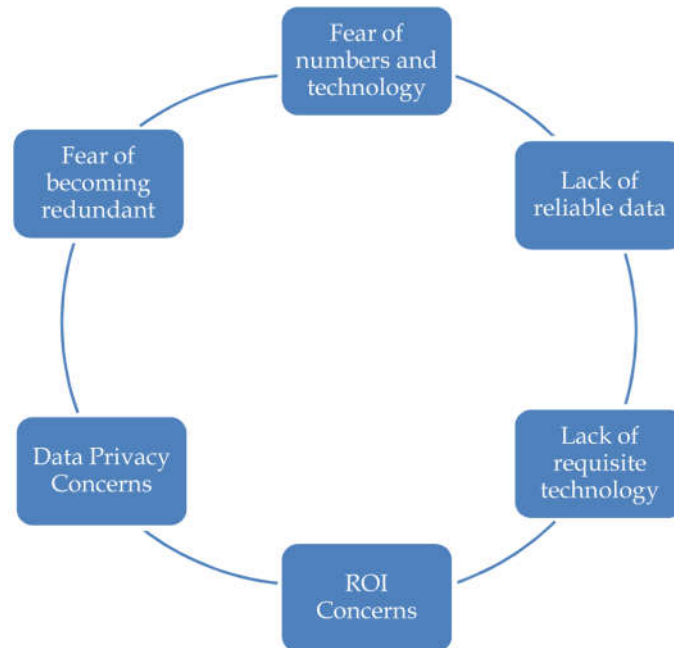
According to the NHRDN-Deloitte Indian Human Capital Report - 2015-16, majority of the Indian companies, almost 90 percent of them face leadership crisis. Data Analytics can help identify the prospective leaders in the organization and develop them to take on bigger responsibilities in the future. On the other hand, analytics can also help in identifying the

essential competencies of a leader. Google, through its “project oxygen” does something similar, which has helped it identify that personalized one-on-one feedback and interest in the employee’s development is the top most characteristic of a successful leader.

Perceived Challenges for HR Analytics

Though there are many multinational companies like Google, Deloitte and IBM which have done a lot of work and made tremendous progress, most SMEs, especially those in non-technology sector have a long way to go. The benefits are huge, the data is readily available, the technology is out there in the market, but still most companies haven’t yet ventured into the field of HR analytics. Why?

Fig. 2:



Typically, the HR departments in most organizations find themselves deluged by data. The fact that analytics talks about numbers, analysis and technology adds to their distress. They do not know where to start and what needs to be done. What data is important, what is not and which are the reliable sources of data? Do we need to invest a fortune in the technology and should we recruit more technologists? Will our people in the HR department be able to manage all this or would we need some rigorous training? At the end of the day, will all our efforts pay off? Is analytics really going to help us or will the entire investment go waste? So, even as some organizations are making big strides, there are so many of them still hesitating to take the all important first step. How can we get these organizations to get going?

- Focus on issue/impact, rather than data. “We should start with the issue at hand or the factor which is going to have a large impact on the business,” says an expert practitioner. Understand the problem and how it has to be approached; one cannot start with data because they would get lost in its enormity and complexity.
- Focus on the most severe problem or the biggest opportunity first. Take up the single most important problem at hand and try to look for solutions using analytics. Alternately, look for the opportunity that can add most value or bring about a major change in the way business is done.
- Drive action by stressing on the results/impact. Ensure that everyone in the function/ department

is driven by the end-result impact of analytics application to a particular issue. Talking numbers and discussing specific cases can make a world of difference to non-experts or those in doubt.

- Collate and integrate data across departments HR. This will help in better assessment and alignment of talent decisions. For example, Ameriprise Financial Inc. worked on data integration for reducing new hire failure rates, managing poor performers and for better prediction of turnover.
- Ensure compatibility. Everyone connected with the application of Big data analytics should speak the same language. The HR executives, the top management, the data scientists, the analysts, all of them should work together for the best results.

Conclusion

HR function has been undergoing transformation in this century owing to the foray of data analytics in people management functions. The HR function, which was earlier confined to the sidelines as a mere support function has emerged as a strategic contributor to business. The immense potential of HR as a value creator has been realized, thanks to Data Analytics. HR has to be willing to take the risks involved in adopting analytics, so as to reap the benefits. The HR fraternity should move out of its comfort zone, should be willing to embrace the world of numbers and technology. HR should be futuristic in its approach and should move beyond mere analysis and reporting, as it progresses towards predictive analytics. HR should hire the services of practitioners from the fields of statistics, programming, information technology and business strategy to successfully apply analytics to play the bigger role of strategic partner in organizations. HR Analytics, if it can be said so, has provided a new meaning and direction to the HR function.

Researchers can take up case studies of organizations which have successfully applied data analytics in HR and delivered the exceptional results.

Research can also be taken up on medium and small companies implementing HR analytics in India, to reconfirm the advantages that have accrued to them. The study can also include a discussion on the practical hurdles faced by companies. Companies employing data analytics for strategic advantage in HR, rather than using it as a simple reporting tool, have managed to reap the true benefits. The author intends to take up survey of Indian companies that have successfully adopted HR analytics to establish the validity of the points proposed in this paper. It is also proposed to do case studies on some of the Indian companies that have successfully applied HR analytics. Application of data analytics for people management is relatively new and its potential as a strategic tool is perhaps still untapped in many Indian companies. Further research in this field can encourage the companies to discover, accept and reap the benefits of Big Data analytics, especially for predicting talent related issues/changes in business.

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Commodities Future Market: A Study of Tur Dal

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Abstract

Agriculture is the key sector of the Indian economy that influence overall economic growth. It helps in ascertaining the growth and stability of the Indian economy. Agriculture plays a key role in the overall socioeconomic sectors of India. Keeping in view the growth of agricultural sector, an attempt has been made to analyze the agricultural commodities futures market. This market is best used for managing risks and to help the orderly establishment of agricultural markets. Hedging the commodity price risk and Price discovery is the key activity of Futures market. Commodities prices are determined by various information that flow into the market about their fundamentals and technical. It is evident from past that future prices are determined by fundamentals (such as demand and supply, business cycles, weather conditions etc) as SEBI imposed a ban on several commodities to trade on exchanges including tur dal. Therefore, an attempt is made to study the co-relation between futures trading and fundamentals by considering the case of tur dal in Indian Agricultural Commodity Futures Market by using generalized autoregressive Conditional Heteroscedasticity (GARCH (1, 1)).

Keywords: Commodities; Future Market; Price Discovery; SEBI; Hedging.

Trading in commodity futures has been existence in India ever since from 19th century. Researchers have identified the word forward trading in commodities in Kautilya Arthashastra. Informal trading was present in ancient times but formal trading started during the nineteenth century. Commodity market has undergone many obstacles as trading remained banned from 1966 and was reinforced only in early 2000s. India is based on agriculture economy with around 70% of the population depending on it. Indian agriculture commodity futures market is a market of asymmetric information with wide fluctuations in commodity prices, shortages and

surpluses. Commodity futures trading especially in agricultural commodities always remained controversial in India.

An attempt has been made to analyze the agricultural commodities futures market. This market is best used for managing risks and to help the orderly establishment of agricultural markets. Hedging the commodity price risk and Price discovery is the key activity of Futures market. Due to the SEBI negligence to control commodity price in the futures market, this sector remains to be underdeveloped. According to the Essential Commodities Act of 1955, free trade is restricted in most of the commodities.

In the late 1960's, droughts forced farmers to depend on forward contracts. The abusive market practices by some of the traders have lead to increase in commodity prices which lead government to ban the trading in many commodities like jute, cotton and tur dal etc. during 007-08. Consequently, Derivatives in agricultural commodities were challenged by a major crisis. However, based on the recommendations of World Bank, United Nations Conference on Trade and Development (UNCTAD) and Kabra Committee, Government of India lifted the ban on commodity

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futures trading in 2003. By considering the case study of Tur dal, the pros and cons of ban in futures trading and removal of ban will be discussed in this paper.

Review of Literature

Mukherjee (2011) conducted a generalized study on the impact of futures trading on Indian agricultural market and also suggested policy measures to strengthen the market structure. Commodity markets should not be confused with stock markets as they have a different market structure with different rules and regulations.

Sharma (2009) studied the effect of the ban of futures trading on agricultural commodities with a specific study on wheat and maize to see whether trading actually caused volatility in the spot market. He also suggested policies for farmers who are unable to participate in the commodity market to trade their goods.

Srinivasan (2008) studied the impact of the price and risk on crops before and after the implementation of the ban taking four main commodities namely – potato, chickpea, soy oil and rubber all of which was banned during the same time. The report argued that banning destructs the healthy running of a market and is completely illogical as it did not at all help in curbing rise in food price.

Bekiros and Diks (2007) studied the relationship between the spot and futures price in the crude oil market using co-integration and linear causality.

Research Gap

The literature related to the effects of ban in the agriculture futures market is limited in the commodities futures market. Though agriculture futures market is growing in India, it is undergoing major crisis because of the unfair trade practices by some traders. In this context, an attempt has been made to study the reason and effect of ban on agriculture futures market by considering the case study of Tur dal.

Objective of the Study

The objective of the study is to find the reason for the reform process by SEBI for lifting ban on agriculture futures market by considering the case of tur dal.

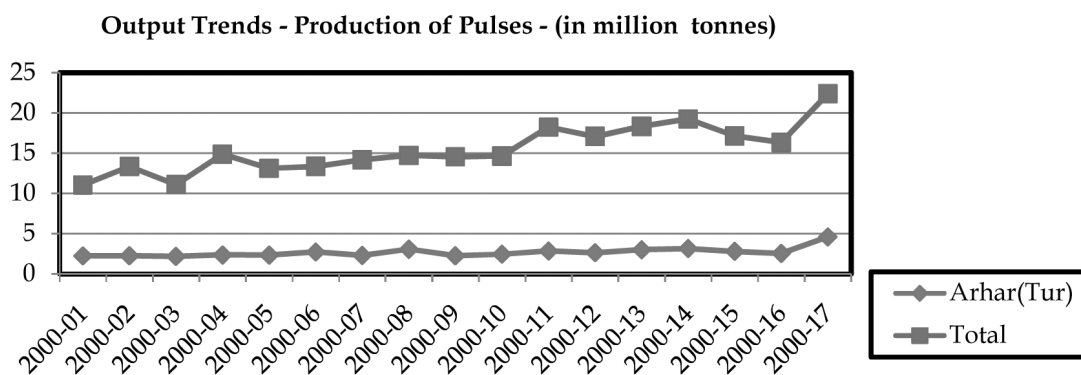
Hypotheses of the Study

H_{01} : There is no impact of ban on Agriculture Commodity Futures Market.

Research Methodology

The daily closing futures prices of Tur Dal since its introduction is collected from NCDEX for the study. This study examines the effect of pre and post ban on tur dal in the agriculture commodity futures market by using Autoregressive-moving-average model (ARMA), and Generalized Autoregressive Conditional Heteroscedasticity (GARCH(1, 1)) model. Descriptive statistics will be applied to analyze the characteristics of the data.

Results



Graph 1: Trend in Production and price of tur dal from 2000-2017.

Source: Economic Outlook

Production-Price Trend in Tur Dal

The above graph 1 depicts the co-movements in the production and prices of Arhar pulse during the period from 1991 to 2012. It is the second most consumable pulse in India across regions as it is being used in many Indian dishes. Thus it achieved the status of the second most vital pulse crop having larger coverage in terms of production level after gram but the worrisome story is the production of tur has been stagnant since 1991 and ranges within a band of 22 to 26 millions tonnes except a major fall in the

year 1997-98 and a major rise in the year 2007-08 i.e. 18 and 30 million tonnes respectively. Hence there is stagnancy in production level but not stability in year to year production level. Contrary to this WPI of tur shows an upward movement and fluctuated between 40to200. Thus, there has been no perceptible growth in production of Tur pulse. However, the prices moved up sharply indicating that supply could not keep pace with the demand as effect of higher MSP is low on production level.

Table 1: Descriptive Statistics

	Mean	Std. Deviation	N
Futures Price	1934.000	80.6102	2
MSP	1480.000	98.9949	2

Source: www.ncdex.com

The above table 1 represents the mean price of tur dal was Rs.1934/qtl and minimum support price is Rs1480/qtl during 2004-2006.

Table 2: Correlations

		Futures Price	MSP
Futures Price	Pearson Correlation	1	1.000**
	Sig. (2-tailed)	.	.
	Sum of Squares and Cross-products	6498.000	7980.000
	Covariance	6498.000	7980.000
		N	2
MSP	Pearson Correlation	1.000**	1
	Sig. (2-tailed)	.	.
	Sum of Squares and Cross-products	7980.000	9800.000
	Covariance	7980.000	9800.000
		N	2

Source: www.ncdex.com

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

The above table 2 represents the correlation between minimum support price and futures price and the results show there is a perfect positive correlation between futures and MSP.

Augmented Dickey Fuller Test on Tur Dal Returns

Null Hypothesis: RETURN has a unit root

Exogenous: constant

Lag Length: 1 (automatic-based on SIC, maxlag=13)

	t-Statistic	Prob.*
Augmented Dickey-fuller test statistic	-9.969034	0.0000
Test critical values:	1%	-3.476143
	5%	-2.881541
	10%	-2.577514

Augmented Dickey- fuller Test Equation

Dependent variable: D (RETURN)

Method: Least Squares

date: 02/07/18 time: 23:21

Sample (adjusted): 8/05/2006 1/23/2007

included observation: 144 after adjustments

Table 3: Augmented Dickey Fuller Test on Tur Dal Returns

Variable	Coefficient	Std. Error	T-Statistic	Prob.
Return (-1)	-1.098113	0.110152	-9.969034	0.0000
D (Return (-1)	0.222945	0.082234	2.711112	0.0075
C	-0.002130	0.001850	-1.151305	0.2516
R-Squared	0.476261	Mean dependent var		5.84E-05
Adjusted R-Squared	0.468832	S.D Dependent var		0.030243
S.E. of regressin	0.022042	Akaike info criterion		-4.771147
sum squared resid	0.068503	Schwarz criterion		-4.709275
Log likelihood	346.5226	Hannan-Quinn criter		-4.746006
F-Statistic	64.10906	Durbin-Watson star		1.985154
Pro (F-statistic)	0.000000			

Source: www.ncdex.com

Estimation of Return and volatility of Tur dal futures return using GARCH (1, 1) model

Dependent Variable: Return

Method: ML ARCH- Normal distribution (BFGS/ Marquardt steps)

Date: 02/07/18

Time: 23:22

Sample: 0/03/2006 1/23/2007

Included Observations: 146

Failure to improve likelihood (non-zero gradients) after 56 iterations

Coefficient covariance computed using outer Product of gradients

Presample variance: backcast (parameter= 0.7)

GARCH= C (2) + C (3)* RESID (-1) ^2+ C (4)* GARCH (-1)

Table 4: Estimation of Return and volatility of Tur dal futures return using GARCH (1, 1) model

Variable	Coefficient	Std. Error	z-Statistic	Prob.
C	-0.001644	0.001212	-1.355521	0.1753
Variance Equation				
C				
RESID (-1)^2	1.33E-05	2.79E-06	4.784291	0.0000
CARCH (-1)	-0.061236	0.007792	-7.858426	0.0000
	1.049636	0.000178	588.0758	0.0000
R-Squared	-0.000126	Mean dependent var		-0.001894
Adjusted R-Squared	-0.000126	SD. Dependent var		0.022436
S.E. of regression	0.022437	Akaike info Criterion		-4.954303
Sum squared resid	0.072997	Schwarz criterion		-4872560
Log likelihood	365.6641	Hannan-Quinn criter		-4.921089

The above table 3 shows the computation of stationarity test on the log values of future returns of tur dal. To confirm the stationarity of the series statistically, augmented version of dickey Fuller test has been employed. The null hypothesis is that the series is non - stationary and if the calculated value exceeds the critical value the null hypothesis may be rejected implying the stationary characteristics of the series. The results of the test confirm that the data series of future return is stationary ($p < 0.05$).

The above table 4 shows the estimation of future return and volatility of futures market of tur dal using GARCH (1, 1). In mean equation, future returns are exhibiting insignificant impact of volatility. In conditional variance equation, the ARCH coefficients has significant impact on the volatility of future

returns implying that there is a pronounced effect of previous shock on the current volatility of future returns of tur dal ($p < 0.05$). The GARCH coefficient has significant impact on the volatility of future returns implying that there is a pronounced effect of volatility on the current volatility of future returns of tur dal ($P < 0.05$).

An analysis of spot and futures prices of the tur dal shows a high degree of positive correlation between the prices. A cause and effect relationship, however, is difficult to establish. An analysis of pre ban and post ban, futures data could not indicate a clear increase or decrease in the volatility of spot prices due to futures trading. The futures trading can't be held responsible for the increase in spot prices because the evidence was, at best, ambiguous.

Most attempts to establish cause effect relationships between the futures and spot prices have been inconclusive because participation in the futures markets isn't total. Price determination in the spot market is based demand and supply, and the awareness about future markets is low. Since futures markets perform the function of price discovery, it would be inappropriate to say that futures prices have no bearing whatsoever on the spot prices. However, establishing to what extent one market is dependent on the other is far more important. Futures prices are not independent variables. Speculation has a basis. If a speculator believes that the price of a certain commodity will rise in the future, it is due to certain conditions prevailing in the economy. Speculation may magnify the rate of increase in prices, but it isn't possible for speculation alone to push prices up. Unhealthy speculation is said to be driving prices up, but when farmer participation in the future markets is low, there is essentially a disconnect between the two markets.

In January 2007, the SEBI banned futures trading in wheat, rice, *tur* and *urad* in an attempt to control inflation. The increasing inflation rates were attributed to greater price volatility due to futures trading. However, the 12 food grains included in the WPI basket only have a weight of 5.01 per cent. Of the 12 items, rice (2.449070) and wheat (1.384080) have the highest weights.

The ban has reduced the trade volumes of the future exchanges by NCDEX. However, since these four commodities only constituted 6.65 per cent of the total agriculture futures traded in 2006-07, the Abhijit Sen Committee concluded that the ban probably had an adverse effect on market sentiments, rather than directly contributing to the decline in future trade.

It was noticed that inflation rose despite the ban, and decreased later in the year when the RBI hiked interest rates. The fundamental problem with futures trading in food grains is that the huge difference between global prices and Indian prices will always reflect on and contribute to the instability in local prices.

The first and most obvious effect, and the one that led to so much opposition to the ban, was the reduction in trading volumes for commodity exchanges. Analysts suggested that about Rs.300 400 crore of business was affected on a daily basis on NCDEX and NMCE. The two largest exchanges for trading in agricultural commodities. They added that the ban would dampen investors' sentiments apart from affecting the turnover and volumes. The total trading volume for the four commodities in the three

national exchanges was valued at Rs.15000 crore a month, almost 10 per cent of the total traded volume (estimated at Rs.164080 crore a month).

In March, 2017 NCDEX moved SEBI to re-launch trading in all the suspended pulses contracts: tur, urad, chana and yellow peas. pulses prices have declined in the domestic market in view of record production at over 22 million tonnes in 2016-17 crop year (July-June), making a case for lifting of ban on commodities futures.

Findings of the Study

The commodities futures market has to overcome the following challenges

The key challenge of integrating farmers on the exchange platform is

1. Limited commodities for trading.
2. Inadequate delivery centers and high cost of accessing the market are bottlenecks facing the farmers today.
3. One restriction is that we have only 25 commodities for futures trade, of which may be, 10 are active. They are not enough for farmers who are producing so many crops. We don't have all crops on futures.
4. The high cost for accessing the market. Earlier, farmers' producers' organizations were allowed to take membership on the exchange, now they are not. They have to open a client account and then approach a member. That makes it expensive.
5. There are many challenges pertaining to logistics to reach out to millions of farmers.
6. The high level of correlation between the spot and futures markets is due to the presence of arbitrageurs, who ensure that the two markets move in the same direction by exploiting any discrepancy in the prices of the two markets to their advantage. However, it isn't possible to find out the number of hedgers, speculators and arbitrageurs participating in the market.

Conclusions

Inflation has a regressive effect for both the producers and the consumers. It tends to destabilize the economy leading to a slowdown in the growth rate. India's headline inflation has reached double digits and is increasing at an unimaginable rate. It is time the government takes a measure. The SEBI in the recent past has taken quite a few steps, one of which

has been the major thrust of the study, however banning the futures market is not a logical solution. It might lead to a favorable outcome in the short run as seen in some commodities; however, to put a stop and to curtail the level of food inflation to a healthy level, the Government and SEBI needs to work alongside the Reserve Bank to tighten some of the measures stated in the previous section.

A simple analysis taking the spot prices in the banned period showed that banning future trading in the agricultural commodity market does not actually help the cause (curtailing food inflation). An efficient futures market indeed curbs price volatility and hedging future market conditions under adverse situations. The then Finance Minister P. Chidambaram had helped the futures traders by sparing them of a commodity tax which would push up the inflation rate.

The main focus of this paper was however not food inflation but how effective was the ban placed on certain commodities to curb food inflation. In this aspect, the paper has also suggested some policy measures which need to be carefully studied and implemented by the SEBI in order to help the common man from the gravity pull towards helplessness and poverty.

High price sensitivity, absorbing excessive price supply is the main reason for ban on tur dal futures trading. SEBI recently, has lifted the ban on tur dal however; it has not starting trading in the exchange. Time has to decide the future of tur dal futures trading in Indian commodity exchange.

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Leader's Emotional Intelligence: An Indispensible HR Conquest for Competent Project Management

T. Rachel Shalini

Abstract

With the changing Business Scenario, companies plan interventions that improve their profits and sustain their existence by having cross-functional teams work on various Projects that are global in nature. Dynamic Leadership Style is a one of the potential success factors for project managers. A project manager with expertise is primarily responsible to achieve project objectives by distinctively leading individuals with an appropriate style that can lead to better performance. The Emotional Intelligence School which has been popular since the late 1990s, states "the Leader's Emotional Intelligence has a greater impact on his or her success as a leader and the performance of his or her team than does the Leader's Intellectual Capability". Some researchers have proved that there is a special link between Leadership Style, Emotional Intelligence, and the Success of Multifaceted Projects. In fact, Emotional Intelligence influences project leaders to encourage coherence within team members and to resolve conflicts with win-win situations. Erstwhile research work also agrees that effective project managers should possess a combination of skills such as Leadership Skills, Management Skills and Communication Skills. However, while the general management observes effective leadership as a critical success factor and is of the view that an appropriate leadership style can lead to better performance; this paper emphasis to review the Project Leader's Emotional Intelligence is the key for Effective Project Management.

Keywords: HR Strategy; Leadership; Emotional Intelligence; Project Management.

Introduction

A Project is a temporary group activity designed to produce a unique product, service or result or a specific set of operations designed to accomplish a specific goal.

Project management is the application of knowledge, skills and techniques to execute projects

effectively and efficiently. It is a strategic competency for organizations, enabling them to tie project results to business goals to strive the markets competition. It began to emerge as a distinct profession in the mid-20th century.

According to PMI's a Guide to the Project Management Body of Knowledge (PMBOK® Guide): Project management process follows the steps given under:

Initiating → Planning → Executing → Closing → Monitoring and Controlling

A Leader's Project management knowledge is described on nine areas as given below:

- Integration
- Cost
- Human resources
- Scope
- Quality
- Communications
- Time
- Procurement
- Risk management

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These areas are a matter of concern for every management; nevertheless project management has a unique focus shaped by the goals, resources and schedule of each project in the organization and the same is ascertained by the rapid worldwide growth of project management.

Project management as a discipline has been significantly emergent over recent decades and is expected to have a tremendous growth in the future in the industry, administration and in the academic world. It is the use of operational tools and methodology in the effective implementation of Company’s projects worldwide, provided the future expectations are formulated more clearly on the benefits and accomplishments of a standardised Project Management system.

Emotional Intelligence: EI is a new concept that is defined as the cognitive ability and social skills required facilitating interpersonal behavior. While intelligence can be broadly defined as the capacity for goal-oriented adaptive behavior, Emotional Competency focuses on the aspects of intelligence that govern self-knowledge and social adaptation.

Project Management and Leadership Competencies

As Project Management increases in its

complexities; there is a great demand for successful leadership in the organisations. Here is a review of leader’s competencies by theorists:

- Effective project managers are usually highly intelligent and have better problem solving abilities than normal project managers – *Rees, Turner and Tampoe (1996)*
- Effective project leaders hold creative problem solving, flexible management skill, credibility and effective communication – *Pinto and Trailer (1998)*
- Effective project leaders hold combination of knowledge (qualification), skills (ability to do assignment) and core personality (motives + traits + self-concepts) – *Crawford (2007)*
- Effective leadership depends on the social competencies needed to form good relationships and stirs up common values. As rightly said **“Underperforming organizations are usually over managed or under led”** by *Warren Bennis*, President university of Cincinnati, university of Maryland symposium, Jan 21 1986

Further Down are Some of the Views of Theorist’s on Leader’s Emotional Intelligence:

- **Goleman et al. (2002) classifies 19 leadership competencies** under 4 categories

Table 1: Domains of emotional intelligence

Domains	Competencies
Self - Awareness	Personal Competence Emotional Self-awareness Accurate Self-awareness Self-confidence
Self - Management	Emotional self-control Transparency Adaptability Initiative Optimism
Social Awareness	Social Competence Empathy
Relationship Management	Organisational Awareness Inspirational leadership Influence Developing others Change catalyst Conflict management Building bonds Teamwork and collaboration

- *Goleman, Boyatzis, & McKee, (2002)* have identified 4 dimensions of Emotional Intelligence and six leadership styles such as : *Visionary; Democratic; Coaching; Pacesetting; Affiliative; Commanding;*
- *Kirkpatrick and Locke (1991)* identified 6 traits of effective leaders

• Drive and ambition	• Technical knowledge	• Self-confidence
• Honesty and integrity	• Desire to lead and influence others	• Intelligence

• Turner (1999) identified 7 traits of effective project managers:

• Problem-solving ability	• Energy and initiative	• Self-confidence
• Results orientation	• Communication and Perspective	• Negotiating ability

Table 2: Dulewicz and Higgs (2003)- 15 leadership competencies

Group	Competency
Intellectual (IQ)	Critical analysis and judgment vision and imagination Strategic perspective
Managerial (MQ)	Engaging communication Managing resources Empowering Developing Achieving
Emotional (EQ)	Self awareness Emotional resilience Motivation Interpersonal sensitivity Influence Intuitiveness Conscientiousness

Emotional Intelligence in Project Management

Geoghegan and Dulewicz (2008), research suggests that a manager's leadership style can be defined in terms of 3 competency Groups which are statistically related to project performance.

Over the years, Emotional intelligence is the most sought after characteristic in a project manager and there are substantial proofs that competencies required by the managers handling projects are quite similar to the leadership competencies. Statically, also there have been enough researches to prove that Emotional competency correlates significantly with success in high-performing projects.

'The higher the EI of a Project Manager, higher will be the rate of success'. Herkenhoff (2004) argues that in environments of strategic change, successful leaders require both the intellectual competencies to meet cognitive challenges and the emotional capabilities to inspire and empathise with others.

Application of Emotional Intelligence in Project Management

Business Environment goes through a lot of changes which needs to be managed at global level with virtual and multicultural dimensions and this globalization requires every manager to put together a reasonable level of intelligence.

The one characteristic that makes a distinction of a manager to a leader is their emotional response to the organizational situations. Along with the Technical knowledge, the success of a project depends on a leader's ability to recognize the role and value of emotions in the workplace.

Project leaders with high Emotional Intelligence have a tendency to practice accommodating and collaborative styles. To substantiate these several studies demonstrate strong Leadership style and emotional Intelligence as the key factors, a project manager must consider improving their project performance and a couple of other factors such as:

- *Building trust* with others through actions that demonstrate honesty and integrity
- *Commitment* to achieve the project's goals and must motivate others while practicing self-motivation. Commitment to the project's goals comprises completing the project as planned or getting relief from the requirements.
- *Effective communication* with different levels of workers and managers. A good communicator knows when to speak and when to listen. Being assertive in arguments and using the proper tone to emphasize items is essential to convey the message. Listening to others and understanding the context as well as the meaning of what is being said is important to ensure effective communication.
- *Negotiation skills* are important to achieve project goals. It is a planned activity that attempts to obtain a win-win situation where both sides gain and there are no losers. The best outcome is when all parties are pleased with the agreement reached.
- *Improvement on their emotional intelligence competence*: studying new model of project management; having a mentor to assimilate the experience and good judgment of a successful senior person; capitalizing on personal strengths and improving on weaknesses.

The first time the term appeared was in Wayne Payne's doctoral thesis, "A study of emotion: Developing emotional intelligence" (1985) and later the term was popularized by Goleman in his book, "Emotional Intelligence" (1995). In the year 1999, Goleman describes Emotional Intelligence as "managing feelings so that they are expressed appropriately and effectively, enabling people to work together smoothly toward their common goals."

Project Leadership Styles

Business Environment today demands leaders with creativity and one who understands the challenging world of multigenerational teams which has a combination of Baby Boomers, Generational X and Generational Y people. In this context, many organisations are working towards developing leadership potential in aspects of human behavior.

Leadership Style is a one of the potential success factors and something which is very hard to measure. The impact of leadership style is predominantly great, when the project manager is able to determine the most appropriate leadership style for each project

team. An effective Leader demonstrates various leadership styles and the key is to use each style at the right time, some of them are given below:

1. *Coercive Style*: is a style that is used when a leader wishes to issue orders when there is a lack of time, or subordinates has no idea on how to craft a solution. It is a direct in such a manner that there is only one direction to go. It is a direct instruction given on the assignments that hinders the thinking pattern or creativity and therefore many avoid discussing controversial topics.
2. *Authoritative Style*: is used when the project manager shares their vision with the team, but allows them to use their various talents to come up with a collaborative solution. The leader values each team member's contribution and motivates the team, so that the members feel honoured to be part of the knowledgeable leader's team.
3. *Affiliative Style*: is where a team leader allows lot of flexibility in terms of communication and coherence of the team. The objective here is to encourage each member to think of themselves as part of the team and feel responsible to contribute to the organizational goals while balancing on individual's career goals.
4. *Democratic Style*: is when everyone has a say however, the final word is of the leader. While this style may cause the planning and execution stages to be time consuming, morale is high.
5. *Pace-setting Style*: involves focuses on high productivity without a focus on quality. This identifies employees who are slow learners, while other members may feel constant pressure to compete and not feel they are providing any meaningful contribution to the creative process.
6. *Coaching Style*: involves leader's willingness to teach and allow people to work on their strengths and weaknesses. The coach challenges all to do better and encourages learning through failures.

Factors Affecting Leadership Styles

- *The personality and maturity of the manager*: will evaluate the circumstances and vary management style to match the situation.
- *The urgency and criticality of the situation*: deals with conflicts and issues and focuses on the development of the individuals and the team
- *Maturity level of team members*: with more experience benefit more than inexperienced
- *Maturity Level of the team*: Long established well motivated teams may be managed better with a

Referent/Laissez Faire approach than a newly established team, who may need more of a Consensus/ Transformational emphasis.

- *Structure and working model of the team:* Teams which are co located and meet face to face frequently may benefit than a virtual or dispersed teams who may need a more directive leadership style because they have less direct communication.
- *The culture of the company or organization:* Culture influences in the development of the team member's skill and the team's spirit.

Conclusion

In conclusion, Emotional intelligence (EI) is "the ability to accurately identify and understand one's own emotional reactions and those of others, and to regulate one's emotions and to use them to make good decisions and act effectively" according to *Goleman*. In fact, the application of the leader's emotional intelligence in project management has competencies that make the biggest difference in individual's effective performance at work.

Moreover, Emotional intelligence of a leader provides a lot of benefits for individuals as well as organizations, exploring the benefits of emotional

intelligence for project leadership and conflict management and resolution.

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Competitive Leadership: Role of Leadership Performance

B. Sangeetha

Abstract

Development of competencies needed to be effective leaders requires research and theory that can drive future scholarship and application. Competencies are defined and an overview is provided on research on competencies, their link to performance in various occupations, and their development. Emotional, social and cognitive intelligence competencies predict effectiveness in professional management and leadership roles in many sectors of society. In addition, these competencies can be developed in adults. The purpose is to investigate leadership competencies of leaders working within the competencies are unique. Additionally, the aim is to identify how new competencies leaders have developed while in the current position and how this enhances the ability to better manage staff. Leadership competencies are skills and behaviors that contribute to enhanced performance. While some leadership competencies are essential to all firms, some distinctive leadership attributes may be particularly relevant to organizations possessing a large community [1].

Personal interviews and stratified sampling were used to examine the qualities and skills relating to leaders to success in leading organizations. The research design did not differentiate between the origins and ethnicities of the leaders. The leaders, whether American, European, Indo-Pakistan or Asian, were treated as one entity. Factors such as communication ability, team building qualities and ability to handle local nationals were found to have a significant effect on adjustment and success in managing organizations. By investigating specific competencies and skills that leaders need to lead organizations in the region, and to study on how they can better identify and develop leadership skills that lead to enhanced performance in organizations. The study focuses on leadership competencies within the expatriate community.

Keywords: Leadership Competencies; Exemplary Competencies; Exemplary Performance.

“Being a leader does not mean dominating the situation. It means empowering people to do what they would not have imagined possible.”
– Chanukya

Introduction

“Chanukya’s Arthashastra, is probably the first book on Competency. It is perhaps the oldest management

book which is still proving to be an excellent leader for management professionals and practitioners. The book contains competency models, the thesis and theories of human aptitude, intelligence quotient and emotional quotient. In general, it has everything related to human behavior regarding work, logic and emotions. Competency is “an underlying characteristic of a person in that it may be a motive, trait or skill aspect of one’s self – image or social role or body of knowledge.” (1982). The competence approach encourages employees to develop competencies which can be used in diverse work situations rather than being boxed into the job. Employee Development also focuses on enhancing employee competencies which help them to cope up with organizational change. Competency may take the form of Knowledge, Attitude, Skill and Values. Besides these, it may also

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include characteristics of an individual, motives and self-conception. In a classic article published in Harvard business review in 1994, grouped competencies into 3 categories which were later extended to four including 1. Technical i.e. relating to technology/ know-how. It is associated with function, role or task and hence, termed as functional category. 2. Managerial/ Organizational- It deals with managerial aspects including planning, resource mobilizing, organizing, monitoring etc. 3. Human/ Behavioral- These competencies deals with personal, inter personal and group matters. 4. Conceptual- They include visualization, model building and so on. In view of the significance of the competencies, for the employees and the organization, competency becomes indispensable.

Competency is a process of identification of competencies required to successfully perform a particular job or role or a set of tasks at a given point of time. It consists of breaking the given job into constituent tasks and identifying the competencies needed to perform the job successfully. It is a way of assessing the strengths and weaknesses of the employees or organization. It's about identifying a person's job skills and strengths in areas like teamwork, leadership, and decision-making.

Large organizations may use some form of this technique to understand how to best use each worker or how to combine the strengths of different employees to produce the highest quality work. Individuals may also find that this type of assessment can help them prepare for a career change or advance in a specific job field. For building strong working relationship within the organization, competency of the people has to be continuously monitored and enhanced in congruence with the business plan.

There are various competencies including Initiative taking, Strategic Thinking, Business Acumen, Relationship Building, Teamwork, Cooperation & Collaboration, Communication, Strategic Thinking Problem Solving & Decision Making etc. Competencies vary from Job to Job, Department to Department. For different departments and different jobs, these competencies have separate weightage. Accordingly, Competency rates the employee skills and helps them to improve the competence which is important for their career development. In view of the recent developments of liberalization and globalization, every organization has to achieve excellence to become global. Competence Development will play a pivotal role in this regard.

Considering the significance of Competency in an organization, the present project has been undertaken

with reference to RXY Laboratories which is one of the major pharmaceutical company. It has several plants in India. The present project „A Case Study of Competency Mapping has been undertaken in this company [1].

Leadership Competency

Leadership is Action, and not a Position. "Leaders aren't born, they are made. And they are made just like anything else, through hard work. And the price will have to pay to achieve that goal, or any goal." As a leader, we will be successful to the extent that we can free ourselves from the "technical" work of our unit by giving the lead our skills, resources, and "space" to take this work on. Our activities in a given day or week, along with the time spent on each. True leadership isn't a matter of having a certain job or title. In fact, being chosen for a position is only the first of the five levels every effective leader achieves. To become more than the boss, people follow only they are required to have master the ability to invest in people and inspire them [2]. To grow further in leader role, we must achieve results and build a team that produces. We need to help people to develop their skills to become leaders in their own right. And if the leader have the skill and dedication, one can reach the pinnacle of leadership where experience will allow to extend and influence beyond the immediate reach and time for the benefit of others.

For each activity, identify whether it is a "leadership" or "technical" activity. A "leadership" activity is one that organizes or enables the work of the people you manage, such as planning, budgeting, or coaching. A "technical" activity is one that involves performing the tasks that produce outputs for our unit. Consider the technical activity that takes up the largest part of our time. The people we lead doing this work is hard or what.

Develop both our leadership and our management skills. Sometimes both are essential to our involvement in running the organization. We have to keep our activities so that we can focus better on those that advance the departmental mission. We have to establish a culture of accomplishment. Demonstrate leadership with obtaining approval for changes and not just from those above us, but also from those around and below us. We have to prepare for opposition.

That is Anticipate objections, benefitize, categorize and then develop the plan with sincere, deserve and unique. The leaders should be with authoritarian, team leader, country club and impoverished. The

leader must analyse the issues to evaluate our analytical skill and break down problems into manageable part to focus on most critical information to identify and test assumptions. From different points of view, we have to analyze the issues and apply the reasoning to accurate logic and integrate information from various sources to arrive at optimal solution.

The innovation must be in leverage by using brainstorming to generate new ideas, methods and technologies. Leverage fresh perspectives, breakthrough ideas and new paradigms to create value in the market. We have to find ways to extend and apply innovative ideas to enhance business results. The leader must understand the organization's financial environment [3]. The financial goals must set aggressive and yet achievable. Identify the key financial indicators and metrics to measure the business performance. Demonstrate understanding of how our work unit's performance contributes to the overall organization's financial results. The leader must build give and take relationships. We have to know whom to involve when and build coalitions or alliances. Show interest in the needs & concerns of others and identify agendas, concerns and motivation of others. Relate to others in an accepting and respectful manner regardless of their organizational level, personality or background. We have create an environment conducive for work. The leader must facilitate and inspire the people of thinking, motivation and in excelling to promote collaboration and teamwork.

Now a days a lot of emphasis is given on choosing the competencies that will create wealth for organizations. Competencies link organizational strategy with people, and people who are aligned with strategic goals are better able to meet challenges. Most of the people in the leadership field are familiar with competencies like problem solving, financial analysis and marketing savvy, these skills do not, of themselves make a leader. It is the nine competencies in addition to the traditionally valued competencies which make a well-rounded leader. The daily plan to help us to grow as a leader in our personal, professional, and spiritual life. Why do some people achieve great personal success, yet never succeed in building a business or making an impact in their organization? Is that those closest to the leader will determine the success level of that leader." It's not enough for a leader to have vision, energy, drive, and conviction. If we want to see our dream come to fruition, we must learn how to develop the leaders around us. Whether we are the leader of a non-profit organization, small business, or Fortune 500 company, developing the Leaders around us can help you to take others to the

limits of their potential and our organization to a whole new level. Are some people born to achieve anything they want while others struggle?

Call them lucky, blessed, or possessors of the touch. What is the real reason for their success? Is it family background, wealth, greater opportunities, high morals, an easy childhood? Position, Permission, Production, People Development, and Pinnacle are the levels of every leader should follow.

Case Study

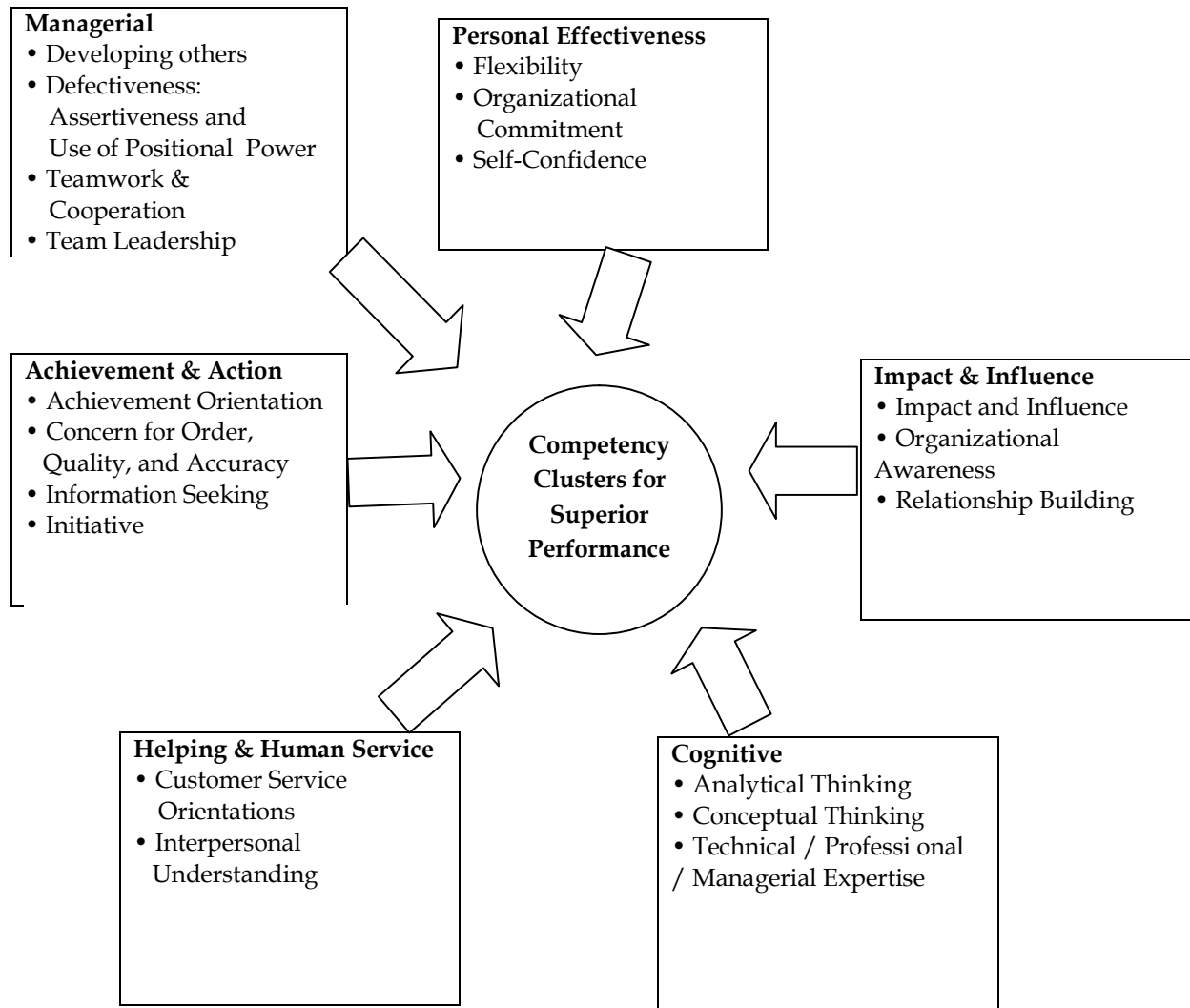
Leadership's competencies and exemplary performance is a trend for identifying exemplary performance Spencer & Spencer, 1993 in business environments in recent years has been to focus on training or developing (and hiring) best-in-class performers.

The goal is to identify competencies that are above and beyond threshold competencies, perhaps necessary for a particular position, but may be linked to superior performance Encouraged by success in identifying "generic" competencies, expanded the original study in 1989 to consider competencies for more than 200 jobs for which models of competency were available. Reports of models of competency based on distinguishing characteristics of superior performers, organized distinguishing competencies into clusters or groups. Each cluster contained a number of competencies and designated each competency with behavioral indicators or specific behavior that demonstrated competency on the job. To develop the compendium, a list of all behavioral indicators appearing in 286 competency models resulted in identifying approximately 760 separate types of behavior.

Of these, 360 indicators defining 21 competencies accounted for 80 to 98 percent of behaviors reported in each model. The remaining 400 behavioral indicators described rarely observed competencies, called "uniques." Models for competency in the database include technical/professional, human service, entrepreneur, sales/marketing/trading, and managerial jobs in industry, government, military, health care, education, and religious organizations. When several studies of a common job exist, the database was used to produce generic competency models (e.g., jobs for health care managers, high tech salespersons, or internal trainer/consultants. For example, database probes can test for similarities among different levels of a job family, different types of jobs, or job studies from different environments).

Competencies for superior performance in similar jobs were found to be essentially the same everywhere in the world Spencer & Spencer, 1993. This identifies 21 most common (generic) competencies that cover behavior in a wide range of jobs and can be adapted

for a variety of applications illustrates Spencer & Spencer's competency clusters that includes two to five generic competencies for each cluster which could facilitate understanding of the analysis of the present the case study.



Qualities of a Leader

Great Leaders have a clear vision of exciting idea of where they are going and what they are trying to accomplish the quality separates leaders from managers. Visions allow leaders to tap into the emotion of their employees. Courage is the most identifiable outward trait and it is considered the foremost of the virtues, for upon it, all others depend. With Integrity the leader should have nothing to fear, since you have nothing to hide. With integrity, a leader will do the right thing, so you will have no guilt. The more a leader can contain ego, the more about his realistic problem. Therefore, a leader must know first how to listen, and admit that he don't know

all the answers. Leaders are outstanding at strategic planning. They have the ability to look ahead, to anticipate with some accuracy where the industry and the markets are going. The leader must focus on the ability to make sure that everyone is concentrated on the most valuable use of the time is essential to excellent performance. Successful people maintain a positive focus in life no matter what is going on around them. They stay focused on their past successes rather than their past failures, and on the next action steps they need to take to get them closer to the fulfillment of their goals rather than all the other distractions that life presents to them. Leadership is the ability to get people to work for you because he wants to gain the cooperation of others by making commitment to

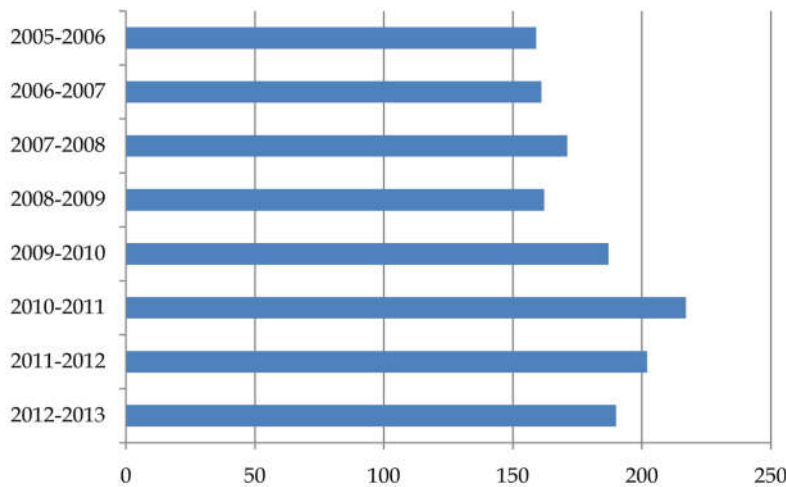
get alone well with each key person every day.

There is no certainty life or business every commitment you make and every action you take entails a risk of some kind. If a leader imagination leads to understand how quickly people grant the request when appeal to self interest, a leader should have practically anything go after [2].

Types of Leadership

Working under a great leader is a privilege that can be far too rare, but even more is what makes a great leader. In 2014, 82% of the time, and that only one in ten people have the skills to be a good leader. Therefore, it's simpler to look the types of leaders out there, and consider how Visionary, Coaching, Democratic, Affiliative, Coercive differ, and what their strengths and weaknesses are [7].

The work was an exploratory attempt to test an



Graph 1:Data retrieved from 2005-2012.

Table 1: Reliabilities of Leadership Effectiveness Competencies

Reliabilities of Leadership Effectiveness Competencies													
Leadership Effectiveness Competency	Decision Making	Self Moti-vation	Use of Technology	Problem Solving	Planning and Organizing	Communi- cation Skills	Know-ledge Manag-ement	Persu-ading	Change Manage-ment	Emotional Intelle-gence	Inspi-ration	People Manage-ment	General Persona-lity
Decision Making	1	-	-	-	-	-	-	-	-	-	-	-	-
Self	0.666	1	-	-	-	-	-	-	-	-	-	-	-
Moti-vation	0.609	0.621	1	-	-	-	-	-	-	-	-	-	-
Use of Technology	0.629	0.595	0.662	1	-	-	-	-	-	-	-	-	-
Problem Solving	0.705	0.685	0.693	0.708	1	-	-	-	-	-	-	-	-
Planning and Organizing	0.723	0.735	0.672	0.734	0.719	1	-	-	-	-	-	-	-
Communi- cation Skills	0.605	0.6	0.619	0.66	0.654	0.732	1	-	-	-	-	-	-
Knowledge Management	0.605	0.537	0.518	0.629	0.564	0.67	0.668	1	-	-	-	-	-
Persuading	0.722	0.692	0.644	0.712	0.745	0.825	0.802	0.759	1	-	-	-	-
Change Management	0.658	0.652	0.56	0.615	0.616	0.729	0.626	0.601	0.763	1	-	-	-
Emotional Intellegence	0.655	0.588	0.598	0.635	0.784	0.671	0.678	0.661	0.738	0.641	1	-	-
Inspiration	0.671	0.637	0.705	0.772	0.743	0.744	0.689	0.674	0.805	0.652	0.729	1	-
People Management	0.576	0.514	0.588	0.688	0.666	0.674	0.647	0.604	0.705	0.55	0.651	0.752	1
General Personality													

integrated model consisting of thirteen Leadership Effectiveness Competencies. Decision Making, Self Motivation, Use of Technology, Problem Solving, Planning and Organizing, Communication Skills, Knowledge Management, Persuading, Change Management, Emotional Intelligence, Inspiration, People Management and General Personality. In particular, the objective of the study was to investigate the relationships between perception of the employees based on their demographic factors and leadership effectiveness competencies. The findings show that there is no difference between the demographic factors of education level, job tenure – experience, seniority – current social status gender, age group in perceiving leadership effectiveness competencies. Further the research indicates that the employees of private sector and public sector undertakings perceive the leadership effectiveness competencies in a similar manner. It is also well established that all leadership effectiveness competencies are positively correlated and are of equal importance in context of Indian manufacturing industries. In summary, this study makes a contribution to our knowledge of leadership effectiveness in that it evaluates the relationships between perception of employees and leadership effectiveness competencies [1].

Conclusion

The four disciplines of a leader execution is about a simple proven formula for reaching the goals we want to reach as a business or individual. The thing that most undermines the ability to execute goals is what we call the Whirlwind. Those urgent tasks that must be done simply to keep an organization alive. The only way to execute new, important goals is to separate those goals from the Whirlwind. The leaders have to create a strategy that requires a change in behavior only by ensuring that everyone on the team understands the goal, knows what to do reach it and knows whether progress is being made, will a leader produce consistent breakthrough results while sustaining the urgent work of the Whirlwind.

The leader should focus on the wildly important, act on the lead measures, keep a compelling scoreboard, create a cadence of accountability and to achieve important goals, a leader must share success stories from a wide range of companies that have implemented the result in greater profits, increased market share and improved customer satisfaction. This way of thinking is very essential to any company that wants to not only weather, but thrive in this

economy. To become a good leader, you must have all the qualities but if you lack some of the qualities, then you might struggle to make the mark in the world of leadership. You will have to set a good example for others to follow. That is where your commitment, passion, empathy, honesty and integrity come into play. Good communication skills and decision-making capabilities also play a vital role in success and failure of a leader. Lastly, innovation and creative thinking, as well as the futuristic vision, are a couple of key traits which make a leader stand out. Leadership has become a growth in recent years, yet the cities seem to have sunk deeper into crisis of our communities are in turmoil. Each leader must be responsible for every lives, and for the life of others community and world. We questioned daily by life, which asks us whether we are willing and able to fulfill our potential and respond to the enormous demands we face as a society.

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Consumer Buying Behaviour on Footwear: With Reference to Reliance Footprint and BATA, Kakinada City

B. Charwak

Abstract

India is witnessing change in life styles of large section of the population. The need to understand the emerging markets and consumer has become a big challenge for the corporate world especially in creating and managing a powerful brand. The fashion industry has seen a shoot of growth in the past few years, more so in India. An important part of this fashion boom is the footwear industry. An industry as varied as any other, the footwear industry in India is one of the most competitive and vibrant. This paper seeks to analyses the footwear in Kakinada city a small sample to identify simple method to analysis and the buying behavior. With customers becoming increasingly fashion.

Keywords: Consumer; Buying; Behaviour; Market.

Introduction

Consumer Buying Behaviour

The evaluation of marketing concept from mere selling concept to consumer-oriented marketing has resulted in buyer behavior becoming an independent discipline. The growth of consumerism and consumer legislation emphasizes the importance that is given to the consumer.

The main aim of marketing is meet and satisfy target customers need and wants buyer behaviour refers to the peoples or organization conduct activities and together with the impact of various influence on them towards making decision on purchase of product and service in a market.

The behaviour of human being during the purchase is being termed as "**Buyer Behaviour**". This study is based on the "consumer buying behaviour on footwear with reference to Reliance footprint and BATA, Kakinada city."

Marketing

Marketing is an activity, which is about identifying and meeting human needs. It is more important as it relates to consumer and their needs, whatever may be the objectives of business, the main in which it has to concentrate will be marketing. Business today, concentrating on marketing is found to be fairly successful though success depends on many other factors.

The most challenging concept in marketing deals with understanding what buyers' purchase, why they purchase, what they purchase. The knowledge on consumer buying behaviour is critical for marketers since having a strong understanding of buyer behaviour will help them what is important to the customer and also suggest the important influences on customer decision making. Using these information marketers can make their marketing programs to pull the consumers towards their product.

Review Literature:

Peter and Olson, (1993) mention that interactions between the people's emotions, moods, affection and specific feelings is called customer behavior, in other words in environmental events which they exchange ideas and benefits each is called customer behavior .Buying behavior of people, who purchase products for personal use and not for business Purposes.

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The product purchase decision is not always done by the user. The buyer necessarily purchases the product. Marketers must decide at whom to direct their promotional efforts, the buyer or the user. They must identify the person who is most likely to influence the decision. If the marketers understand customer behavior, they are able to predict how customers are likely to react to various informational and environmental cues, and are able to shape their marketing strategies accordingly (Kotler, 1994).

Need for the Study

The preferences towards the goods we buy had changed a lot from the olden times to the present times. Unlike olden days the consumer not only limits his thoughts to buy a product but always preferring the varieties of products. The companies are also focusing on manufacturing different varieties of products with respect to consumer's tastes & preferences. The need for the present study is what the buyer's behavior while purchasing footwear in Reliance, FootPrintNT and BATA, Kakinada.

Scope of the Study

- The scope of the present study is limited to Kakinada city where the consumer behaviour is studied by approaching consumers of Reliance Foot Print and BATA showroom.

Objectives of the Study

- To know the consumer behavior & preferences on footwear in Reliance Foot Print and BATA, Kakinada.
- To know what factors influencing the buying decisions of consumers.

Methodology

Primary and secondary data has been collected for an analytical study to understand the buying behaviour of the consumers Sample design the total sample is only 35 numbers. Sample technique Convenient sampling.

Indian Footwear Industry

The Indian footwear industry has developed substantial links in the global production network. But, this industry is still dominated by firms that cater largely to the domestic market through the artisanal

production system. Specific footwear centres and sections of firms in traditional footwear clusters have established strong relations with the export market. Still, there are only few firms (e.g., Lotus Footwear Ltd., Apache Footwear Ltd. Etc.) that are directly involved in the global production chain of multinational corporation (MNC) in the sports footwear category.. Apart from TATA, no large domestic corporate firm is involved in the footwear production either for export or in the domestic market.

The marketing system of export and domestic markets can be aptly compared in the theoretical framework of transaction cost economics. The key elements of this framework are asset specificity, uncertainty and frequency. In this low technology industry entry barrier is low and asset specificity is largely related to market information. In export market, the market research is largely undertaken by importers (wholesalers, retail chain stores, departmental stores etc.).

In the absence of organised market research by wholesalers (along with low development of retail chain stores) direct entry into domestic market requires substantial resources. Second, greater uncertainty exists in the domestic market in the sense of market volatility – lack of information on evolving fashion requirement, demand in particular market and less availability of assurance instruments (letter of credit, agents, quality inspection etc.). Third, importers place relatively larger orders in specific frequency (seasons) whereas domestic wholesalers order in small batches and at less regular frequency.

Consumer Behaviour

The behaviour of human being during the purchase is being termed as "Buyer Behaviour".

Factors influencing Buying Behaviour are

- Cultural factors
- Social factors
- Personal factors

Cultural factors

Culture, sub culture and social classes are particularly important influence on customer's satisfaction. Culture is the fundamental determinant of person's wants and behaviour. The growing child acquires a set value, perception preferences and behaviour through his/her family and other key institutions.

Example

A child growing up in the United States is exposed to the following values

- Achievements and success.
- Efficiency and practicality.
- Progress.
- Material comfort.
- Individualism.
- Freedom
- External comfort
- Youthfulness

A child growing up in a traditional middle class family in India is exposed to the following values.

- Respect and care for elders.
- Honesty and integrity.
- Achievements and success.
- Humanitarianism and sacrifices.

Sub cultures include nationalities, religions, racial groups and geographical regions.

Social Factors

In addition to the cultural factors a customer’s behaviour is influenced by such social factors as

- Reference groups.

- Family.
- Social roles and status.

Personal factors

A buyer’s decision also influenced by personal factors

- Age and stage in the life cycle.
- Occupation and economic circumstances.
- Personality and self concept.
- Lifestyles and values.

Buying Footwear at Reliance Footprint

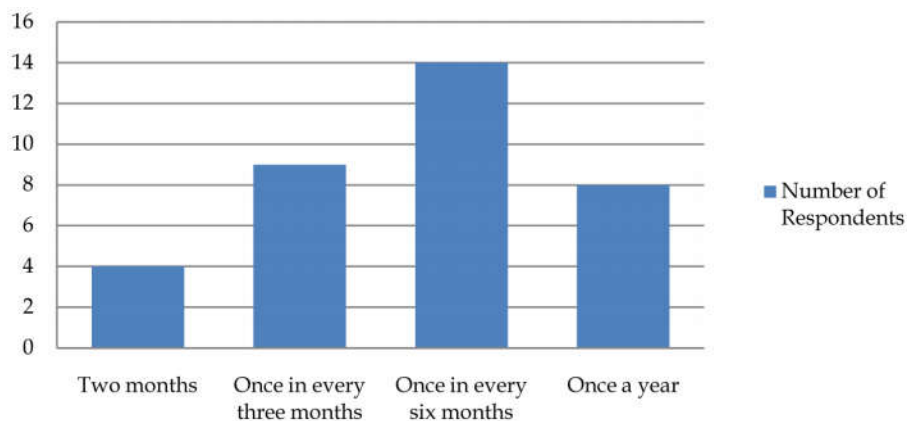
From the Table and Graph 1 analysis it is observed that 40% of respondents i.e., 14 are buy footwear once in every six months and 25% i.e., 9 of them buy once in every three months and 24% buy once a year, and the rest 11% buy once a month. Finally I interpret that majority of respondents are buy footwear once every six months.

Type of footwear that are interested to buy

From the Table and Graph 2 around 35% of respondents only buy sandals and 28% buy casual shoes and 20% buy slippers and the remaining 17% buy formal shoes. During the study it was noticed that most of the people buy sandals.

Table 1: Buying Footwear at Reliance Footprint

Options	Number of Respondents	Percentage of Respondents
Two months	4	11%
Once in every three months	9	25%
Once in every six months	14	40%
Once a year	8	24%



Graph 1: Buying Footwear at Reliance Footprint

Spending of money on footwear

From the Table and Graph 3 it can be understand that 37% of the respondents interested to spend Rs. 1001-3000 on footwear, where as 34% of them are spend Rs. 501-1000. The remaining 18% of respondents spend up to 5000 and 11% of them spend up to 500 on footwear.

that 69% of respondents said that the advertisement didn't affect their purchasing decision, where as 31% of them accepted that advertisement can affect their decision of purchasing.

Affect of advertisement on purchasing decision

From the Table and Graph 4 we can understood

Priority while buying footwear

From the Table and Graph 5 analysis it can be observed that most of the respondents were give their first priority to Price, and then to durability, comfort and brand etc. finally I interpret that price sometimes may changes the buying decision of consumer.

Table 2: Type of footwear that are interested to buy

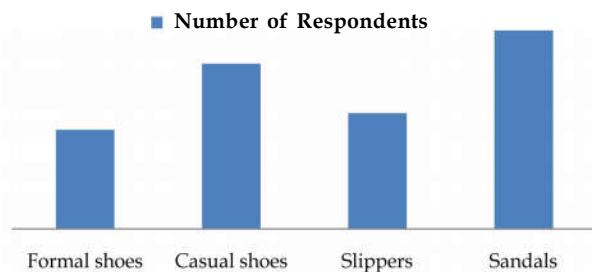
Options	Number of Respondents	Percentage of Respondents
Formal shoes	6	17%
Casual shoes	10	28%
Slippers	7	20%
Sandals	12	35%

Table 3: Spending of money on footwear

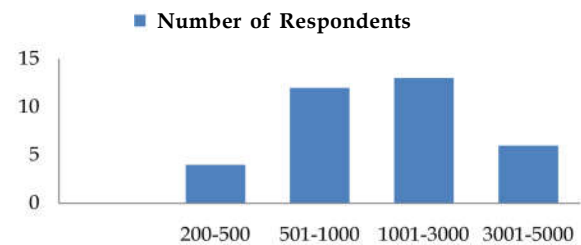
Options	Number of Respondents	Percentage of Respondents
200-500	4	11%
501-1000	12	34%
1001-3000	13	37%
3001-5000	6	18%

Table 4: Affect of advertisement on purchasing decision

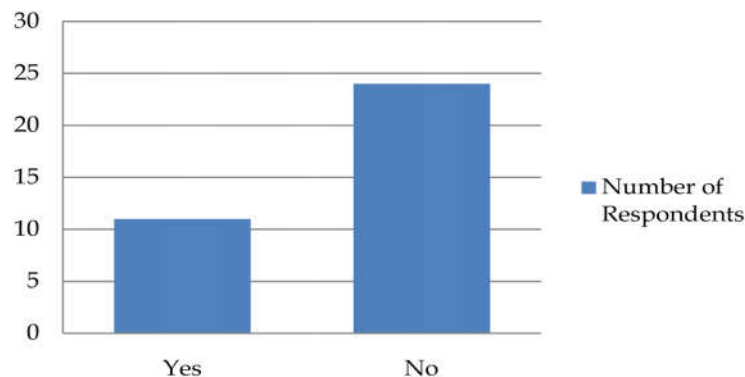
Opinion	Number of Respondents	Percentage of Respondents
Yes	11	31%
No	24	69%



Graph 2: Type of footwear that are interested to buy



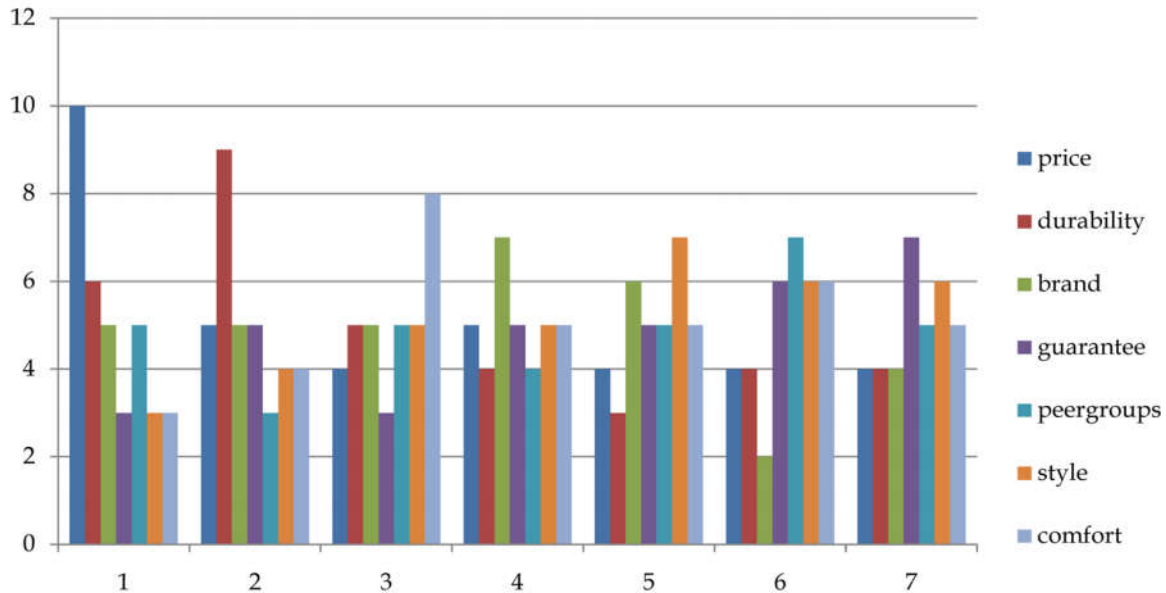
Graph 3: Spending of money on footwear



Graph 4: Affect of advertisement on purchasing decision

Table 5: Priority while buying footwear

Options	1	2	3	4	5	6	7
Price	10	5	4	5	4	4	4
Durability	6	9	5	4	3	4	4
Brand	5	5	5	7	6	2	4
Guarantee	3	5	3	5	5	6	7
Peer groups	5	3	5	4	5	7	5
Style	3	4	5	5	7	6	6
comfort	3	4	8	5	5	6	5



Graph 5: Priority while buying footwear

Findings

1. Most of respondents prefer to purchase shoes from Showroom. Majority of respondents are buy footwear once every six months.
2. Businessman, serviceman and professionals prefer to wear formal shoes because of status.
3. Students like to wear only sports and casual branded shoes and sandals.
4. observed that most of the respondents were give their first priority to Price, and then to durability, comfort and brand

Conclusion

An footwear industry as varied as any other, the footwear industry in India is one of the most competitive and vibrant. The study concludes that

the footwear industry in India is expanding at an incredible rate. Businessman, serviceman and professionals prefer to wear formal shoes because of status to purchase by every six months.

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An overview on Changes in Indian Consumer Demographics

Sridevi Jonnalagadda¹, Roopalatha²

Abstract

The consumer plays a vital role in the study of marketing. The needs of customer are catered by changing demographics which categorizes the potential customers on the basis of age, gender, geographical location, education level, marital status, household income, occupation and hobbies. The peer group of buyers is also identified in the market by their attitudes, purchasing power and awareness of the product. It is very important for every business man to provide best product service in convenient mode. The changes in Indian consumer demographics are influenced by purchasing power of consumers, increasing income of consumer, market culture and availability of branded goods in the market. The Demographics are the major strands of customer segmentation where competent marketing resources are used for business breaks. The study of this paper is to understand the trends in buying behavior in a particular market scenario like retail market. The purpose of the paper talks about the changing scenario of Indian consumer demographics in the business world relating to various consumer goods. Although every consumer has distinct feature influenced by the demographic factors, the paper also deals with challenges faced by retailers with changing demographics and how are they been utilized for business opportunities. The increasing prospects for business in the retail industry in India are creating employment opportunities as per the changing trends. Even the online shopping strategies are bringing the world on one platter with emerging global markets, franchises, merchandisers etc. This is making the customer to visualize various products which are available in different brands and with different price tags that fit into their budget. This will help to understand the means to create the demand for goods in order to increase the sales, as well as lead for expansion of their business. It is a future path for producer to make brand image in the market. The large business houses are benefited by segmenting the market domestically and internationally in rendering services and offering goods to consumers at different prices. Similarly, small marketers are benefited with geographic segmentation to target specific customers and save their advertisement expenditure. It is even easy to identify the targeted customer as the personal information is collected through database. The research paper is developed based on reviewing related literature of consumer demographics, customer choice, growth of the retail sector and the challenges faced in India. The information is collected from secondary sources like books, journals, various research articles; relevant documents magazines and analyzing retail business. The result of research is focused on growth of retail markets, its contribution to economy, changing lifestyles, the consumer purchases and key factors of Indian consumer behavior. We can say that the consumer's perception is towards price and quality sensitive than looking for brand loyalty. There is a substantial increase in the buying power and greater ease in customizing or placing orders of their choice. With the growing population to cater the needs of customers the consumer markets expanded their services through digital marketing such as online, social media and internet in the present competitive situations.

Keywords: Retail Market Growth; Trends in Consumer Demographics; Contribution to Economy; Online Marketing; Challenges of Retailers.

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Introduction

The most demanding thought in the changes in Indian consumer demographics in marketing is to understand the buyer behaviour. The attitude of Indian consumers has undergone a major transformation over the last few years. The buyer today wants to lead a life with luxury and comfort without concentrating on speculation. The market reformation has enlightened the consumers with market information at their fingertips, enabling them to compare and shop wide range of goods and services anytime, anywhere. This trend is been increasing with mobile apps, internet, online shopping etc. The Post economic liberalization policies in Indian market made huge opening for sale of many variety of new local products and foreign goods. At present Indian consumers are buying products such as clothes, books, low value white goods, stationery, electronics, and educational material through internet/online and smart phones. The retail market in India is also influenced by brand ambassadors to promote the products. The celebrity endorsements (Actors of Hollywood and Bollywood, cricket players etc.) in market increases trust factor and promote the brand to all consumers in India. The consumers in India are generally interested to buy the consumer goods such as tooth paste, soaps, detergent, cooking oil, cash back, USB, headphones, speakers, mobile covers, etc. if are offered with free charge of delivery, discounts, etc.

The impact of changing consumer purchasing behaviour and increasing income of the consumers brought revolution in Indian Retail market to change since 1997. This resulted with expansion of retail sector. Even the digital medium has influenced retail market with reshaping customer behaviour and expectations. Overall change in consumer demographics led to the growth of retail business in a constant need to retrospect their strengths, reinvent their contributions across the buying patterns of consumers. In India the major contribution to national income is from the three fourth of population who live in rural areas. After digital reformation of retail industry, India is in 3rd position with 37.4% of internet dispersion. Several rural markets were established to sell basic consumer goods and India is lucrative markets for costly products even though their per capita income is low. There is a considerable growth in ecommerce market from \$11 billion in 2014 per annum to \$20 billion in 2015 per annum. With the introduction of e-Commerce portals like Flip-kart, Amazon, Snap-deal, etc the purchasing patterns of Indian consumers has increased considerably by satisfying their shopping requirements.

The emergence of E-Commerce in India is due to the facilities provided to customers such as EMI options, Cash on Delivery, Huge discounts to buy online, Cheaper than brick and mortar stores, Increase in usage of internet through smart phones, Social reviews etc. because, the nature of Indian consumers is always to choose quality and expensive brands as they feel that price is an indicator of quality. The consumers are also keen on the services given by the branded company as buyers believe that only branded companies can ensure the service centers. In the retail market, it will be difficult to sell those products which are without service outlets to Indian buyers.

The urbanization in India is also one of the reasons influencing the life style and buying behaviour of the consumers resulting in bulk purchases from hyper stores rather than purchasing from neighbourhood store. At present the urban middle and upper class Indian consumer buying behaviour has changed their perspective towards western trends. In retail market more of international branded products are purchased. The major reason for growing rural and urban markets are due to the increasing literacy in the country, exposure to the west, satellite television, smart phones, Bollywood movies, social media and newspapers etc. This significantly increased consumer awareness in purchasing goods. This market knowledge made the Indian consumers to purchase more qualitative products. On other hand there is expansion of organized retail chains and other corporate businesses. India became a world's top sourcing by 2016-17 and with a share of 55 per cent. The most attractive nucleus for Indian retail market is the middle class people for all the retail giants across the globe. The other major reason towards the varieties of goods produced [1].

Objectives of the Study

1. This article focuses on the changing consumer demographics related to retail market in India
2. It studies about influence of consumer behaviour and changes in market growth in India
3. It studies the changes in consumption expenditure and contribution to economy

Limitations of the Study

1. The research article deals only the 'An overview on Changes in Indian consumer demographics'
2. The article is not a comparative study between various Indian consumer demographics in Retail markets of the countries.

- The area of the study is limited to the short period only.
- As the study is based on secondary data, the findings and conclusions are given based on the data.

Research Methodology of the Study

To fulfil the objectives of the present study, the following research methodology has been used:-

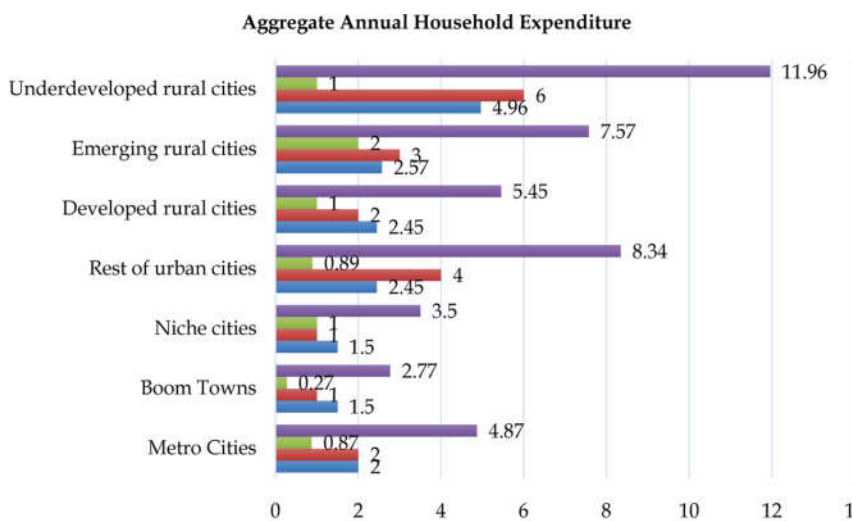
- The topic was chosen to study the 'An overview on Changes in Indian consumer demographics'
- Collection of data: The main sources of secondary data are manuals, news papers, books, journals, articles, business magazines and other research papers.
- Analysis of data: The collected data has been analyzed to the objectives in the form of tables and diagrams by using statistical tools such as percentage and growth rates.

Indian Consumer Demographics

The market is one of the most dynamic fast growing aspect with changing lifestyles, demographics, income levels, easy credit facilities and aspirations. The aspirations for an Indian consumer traditionally (before pre-liberalization) lie in 3S concept. That is (1) Savings (2) spirituality (3) safety, for consuming

goods. The genuine reasons were the invaders ruled over centuries and finally left devastated while leaving only to start everything from scratch. He would spend each rupee of money wisely and did not have much risk appetite, as he understood the value of money earned. This made the Indian consumer appear more orthodox in his life style and thinking process. As the time being changing the evolution of markets, industries and innovation of technology paved way for varieties of goods and services produced in the country [2].

In 1990 the liberalization and its policies provided opportunities to emerge a new Indian consumer with changing lifestyle, preferences and consumption of goods. Liberalization brought growth in economy and lead to a net disposable income, which made the consumer think more materialistically. The standard of living improved with satisfaction of social status needs. The consumer is armed with higher income, credit cards, exposure to multiple markets. These are resulted in increasing consumption expenditure and the same is shown in the below Table1 and Figure1. According to the Figure 1 how the aggregate house hold expenditure in various cities is spent by consumers is explained. We can observe that overall the consumption on FMCG, clothing and foot ware products are consumed more in other urban cities the consumer services expenses are more and comparatively durable goods consumption is less in metro, Boom, Rural and other underdeveloped cities. Similarly the consumption is more in emerging rural areas. The study of aggregate annual household income is shown in the Table 1 and depicted in the Figure 1.



Graph 1:

- Over all household expenditure
- Consumer durables
- Consumer services & other expenses (%)
- Essential Consumption goods (FMCG, Clothing and)

Source: Journal published Thu, Dec 08 2016.

Table 1: Aggregate annual household expenditure

Cities	Essential Consumption goods (FMCG, Clothing and foot ware) (%)	Consumer services & other expenses (%)	Consumer durables (%)	Over all household expenditure (%)
Metro Cities	2	2	0.87	4.87
Boom Towns	1.5	1	0.27	2.77
Niche cities	1.5	1	1	3.50
Rest of urban cities	2.45	4	0.89	8.34
Developed rural cities	2.45	2	1	5.45
Emerging rural cities	2.57	3	2	7.57
Underdeveloped rural cities	4.96	6	1	11.96

The chart is used to explain the aggregate annual consumption expenditure spent by consumers on FMCG and clothing products in Metro, Niche, Urban and undeveloped cities. It analyzed the household expenditure made on consumer services and consumer durables in various cities [2].

From the Table 1, it is observed that the most of the consumer's annual house hold expenditure is spent on necessary goods like FMCG and clothing. Very little amount is spent on consumer durable goods. The household people of this city are spending on consumer services equally along with other consumer goods. The overall household expenditure is more in urban areas and Metro cities and it is low in Boom towns. In Boom towns even the money spent on consumer durables is also low. The same is shown in the above Figure 1.

Changing Trends of Consumer Demographics

The changing consumption of goods is also due to the increasing awareness for youngsters. We can say this is because of internet facilities and other availabilities to know the trends of the market. The ever flowing MNCs' establishment and the tremendous growth in the IT sector, the employment opportunities for the youth have increased drastically in aspiring. The internet, television and smart phones and the advertising campaigns are influencing the young to a large extent to spend most of their income on apparel, electronic gadgets and accessories.

Increase in Income of Consumers

The increasing opportunities of income earnings of people due to huge expansion in IT sector, MNCs, telecommunications, marketing, management, banking etc., after liberalisation which opened the gates to target the consumer goods market as well as durable goods market such as electronic, vehicles, furniture, apparels etc also increased. More markets have come up to meet the demand.

With personal ambition to achieve more and live better with comforts, an average Indian works for more than 50 hours a week. This was revealed by a recent Gallup poll of more than 30 countries. It was shown that, India ranks among the hardest working nations globally with an average work week of 50 hours, where as 42 hours in United Nations, and around 40 hours in European nations. The increase in income is resulted in the consumption of consumer goods. The increase in income is influenced the consumption of goods and services. It is studied that the major contribution in the market by high income group people are made on Food and Beverage products (69%). The clothing and textile is around 11%, Beauty and personal care is 8%, and consecutively spent low Home décor and furnishing items [4].

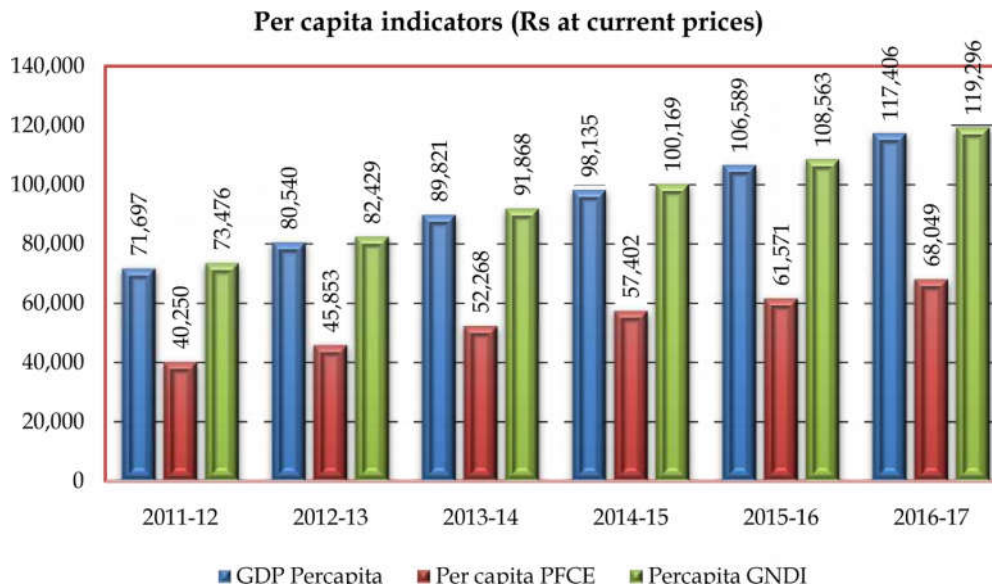
During 1980's there is a considerable growth in the Indian economy with respect to per capita income from Rs. 71,607 in 2012 to Rs. 117,406 in 2017. The per capita personal disposable income also increased from Rs. 73,476 in 2012 to Rs. 119,296 in 2017. The per capita private final consumption is Rs. 40,250 in 2012 to Rs. 68,049 in 2017. The same is depicted in the table 5 and shown in the Figure 4.

Changing the Market Size

The consumers market is primarily classified into organised markets, unorganised markets, Traditional markets and modern markets. The Indian consumer's market size started to increase by generating revenue of US\$ 641 billion in 2016. The overall growth was resulted at the rate of 12% per annum. The traditional trade growth rate per annum was 9% which concentrated in groceries and FMCG products. The organised retail market growth is at the rate of \$60 billion from consumer goods. The Therefore the Indian Business to Business (B2B) market expected to earn revenue at the rate of US\$ 700 billion in near future. This will result in online retailing well matched with physical stores throughout the country. According to Indian Chambers of Commerce and Industry

Table 2: Per capita indicators (Rs at current prices)

Year	Per capita indicators (Rs at current prices)		
	GDP Per capita	Per capita PFCE	Per capita GNDI
2011-12	71,697	40,250	73,476
2012-13	80,540	45,853	82,429
2013-14	89,821	52,268	91,868
2014-15	98,135	57,402	100,169
2015-16	1,06,589	61,571	108,563
2016-17	1,17,406	68,049	119,296

**Fig. 2:**

Source: CARE Ratings

(FICCI) and Indian Institute of Foreign Trade (IIFT) the total potential growth of Business to Consumer (B2C) earned at the rate of US\$ 26 billion and expected to achieve more \$3 billion in near future. India took the place of china in retail market expansion with booming consumption rates, urbanizing population and growing middle class.

India is the world's best ever growing e-commerce market, driven by vigorous investment in the sector and rapid increase in the number of internet users. Various private organisations promoted and worked hard for increase in sales, which resulted to attain US\$ 30 billion in the year 2016.

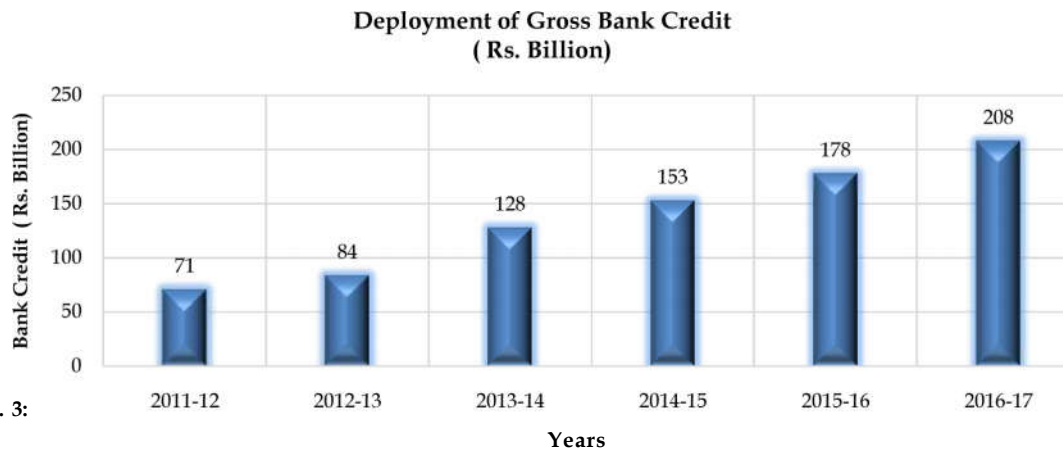
There is a simultaneous growth in telecom networks, online services and other market services. According to the report of India Direct Selling Association (IDSA) the India's, retail direct selling market size increased by US\$ 3.54 billion by 2016. The Indian exports of domestic lifestyle products also increased to 10%. Hence, the consumer purchasing attributes and their lifestyle is resulted with vigorous expansion of market in the country [5].

Life Style of Consumers in India

Increase in materialism is growing more rapidly in Indian consumers as life's pleasures have gained more importance over the past decade. The purchase of electronics goods like TV and smart phones, music systems and home appliances like refrigerators, micro ovens, along with the apparels, foot wear, cosmetics, furniture, vehicles etc has grown so dramatically because of the huge expansion that has been taken up in the financial sector. Previously, a decade ago, it was difficult to purchase high end goods as there were neither loans nor credit cards. Short term loans and credit cards have changed the consumer mentality. Today the consumer is ready to purchase any good of his choice with the huge financial options available in the market. The credit cards options along with the reward schemes, the flexible financing options from the financial institutions are tempting the consumers to purchase goods as and when they desire. From pin to car, the market is flooded with a variety of consumer goods of different ranges which cater for different income groups. Accordingly the financial options are also available for the consumers.

Table 3: Deployment of gross bank credit

Year	Bank Credit(Billion Rs)
2011-12	71
2012-13	84
2013-14	128
2014-15	153
2015-16	178
2016-17	208

**Fig. 3:**

Source: IBEF

From the Table 3 it is evident that the Gross Bank credit has increased over the years from 2011 to 2017. The same is depicted in the Figure 2.

Growth of Indian Market

The Indian retail market is solitary and longest growing in the world. The Indian Retail market is likely to meet the market growth of US\$ 1,100 trillion by 2020, as India's destiny is to be fifth largest retail market in the world in terms of per capita retail store availability. So the sector initiated development in all the major cities including II & III Tier cities in the country. This is resulted in changing standard of living, increase in disposable income of consumers, taste and preferences, economic growth etc. therefore these are the major factors for expansion of organised retail sector in India. The online services in the country was also taking in a big way contributing 7% to the economy at the rate of US\$ 17.8 billion to US\$ 60 billion and expected to grow by 10% by 2020. This was made possible due to private and foreign investors. The scope of Indian retail industry was widened and supported by global retailers such as Wal-Mart, GAP, Tesco and JC Penney. This also helped the franchising business in the country, where private investments increased. The government permitted 51% Foreign Direct Investment in multi-brand retail and 100% in single brand retail through

regular transmit. This resulted in emergence of E-commerce and make in India. In India the retail industry business started to produce consumer goods as well as Food Manufacturing consumer goods with 100% of Foreign Direct Investment (FDI). Urbanization an integral part of the growth process contributes about 2/3rd of economic output. The urban population is expected to grow from 282 million to 590 million in the next two decades. Meeting the needs of the soaring urban population in terms of basic needs and consumer durables has opened the gates for more markets and investments. The size of market growth is observed increasing from 2012 to 2016 considerably with increase in expenditure from \$518 to \$672.

Influence of Urbanisation

Urbanization an integral part of the growth process contributes about 2/3rd of economic output. The urban population is expected to grow from 282 million to 590 million in the next two decades. Meeting the needs of the soaring urban population in terms of basic needs and consumer durables has opened the gates for more markets and investments. The urban consumers got converted from net savers to net spenders. With higher incomes, they expect quality and durable goods for affordable prices. Urbanisation is spreading beyond expectations and more and more small towns and cities are adopting the urban culture.

Table 4:

Year	Population Division	
	Urban Population	Rural population
1991	19.9	80.1
1981	23.3	76.7
1991	25.7	74.3
2001	27.8	72.2
2011	31.2	68.8
2015	32.7	67.3

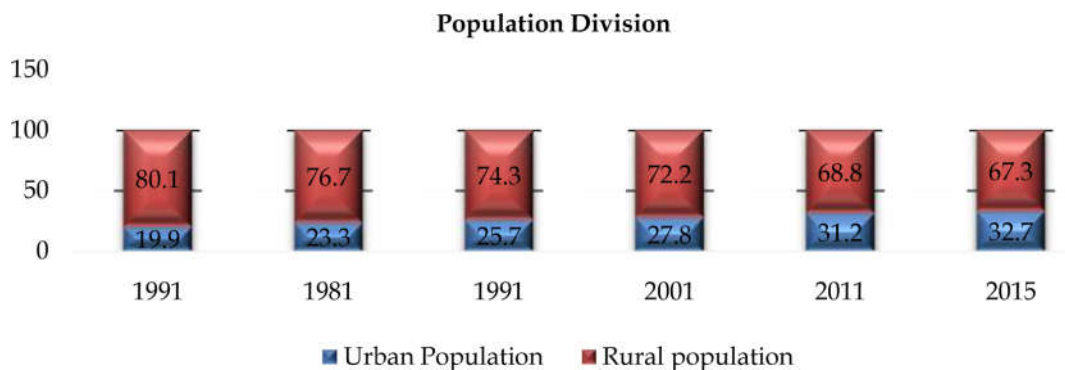


Fig. 4:
Source: CARE Ratings

From the below Table 4 we study that from 1991 to 2015 the money spent on goods being increasing from 19.9% to 32.7% and the Rural people money spending in 1991 is 80.1% and in 2015 it is 67.3%. The consumption expenditure of Rural population was high than the urban population during 1991. The consumption of rural people started decreasing relatively to 67.3% and the urban people expenditure and the contribution increased to 32.7% respectively. The contribution of population of urban and rural areas was shown in Table 5 and the same is shown in the Fig. 4 [7,8]. With the ever-spreading urbanisation the consumer demography is becoming multidimensional due to large diversity in terms of culture and tradition. The size of market growth is observed increasing from 2012 to 2016 considerably with increase in expenditure from \$518 to \$672.

Consumer's Contribution to Economy

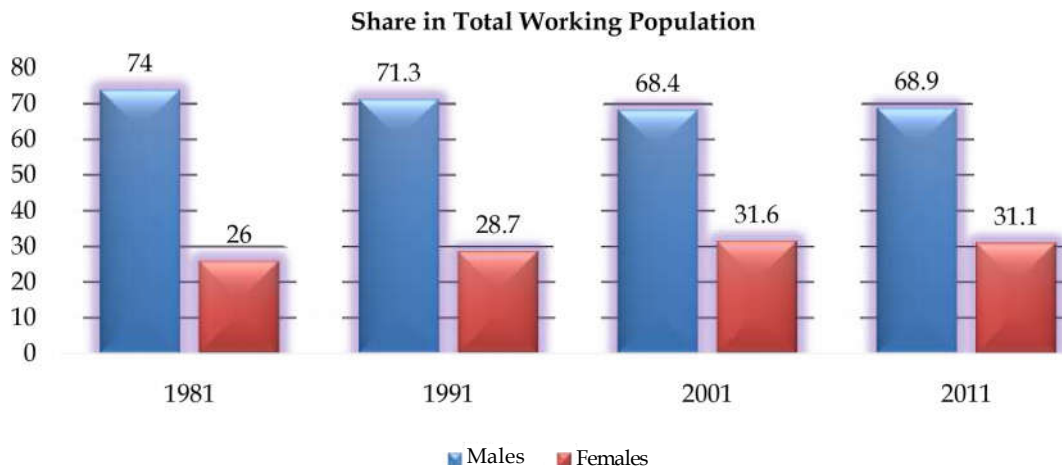
According to CAGR it is observed that the country's per capita GDP per annum is been increasing from Rs 71,607 in 2012 to Rs. 117,406 2017. There is a consumption boom in the country. The per capita disposable income also increased from Rs 73,476 in 2012 to Rs 119,296 by 2017. There is an increase in the final consumption expenditure from Rs 40,250 in 2012 to Rs.68,049 by 2017 in the country. The usage of credit and debit cards has increased to purchase goods. These were prominently accepted in the

market. The usage of cards increased with because the consumers enjoy the pleasure of cash less shopping with provided incentives, cash back offers and discounts.

The participation of female workforce in the recent times has increased considerably. They started participating in the country's economic activities more actively. The female work force has increased from 26% to 31% from FY81 to FY 11. Notably, involvement of female workforce in the organized industrial activities also has increased from 27% to 47% in FY 2011. It has increased purchasing power in the hands of working women class. With the higher purchasing power and the time constraint factors with the working women accounted to one-stop-shop concept. The one-stop-shop has all the house hold requirements ranging from food, grocery, apparel, cosmetics, foot wear, electronics, furnishings, furniture etc under single roof. This has given a wide scope for malls of different sizes and online shopping. The paper studies about that the consumption of goods being increasing due to increase in the working population of both males and females in the country. The table 5 reveals that the working population in males is increasing from 1981 to 2011 from 74 million to 68.9 million. The Female working population is increasing from 26 million to 31.1 million by 2011 respectively. The same is shown in the Figure 4.

Table 5: Share in total working population (in Millions)

Year	Share in total working population (in Millions)	
	Males	Females
1981	74	26
1991	71.3	28.7
2001	68.4	31.6
2011	68.9	31.1



Source: Care Ratings

Recommendations

With the urbanisation, higher income rates, young entering into the jobs at a very early stage, rapid growth in population, growing awareness of the technology and the gadgets, overflowing markets of different sizes, variety of goods at different prices, flexible loans and the credit card payments have changed the spending behaviour of the Indian customer.

There is a steady expansion of E-commerce in the country. Customers choices have increased. They prefer quality goods at cheaper rates with more reliability. In order to reach the Indian customer who is rigid and to gain an upper hand over the competitors, the companies have customised the products which can run in the Indian retail markets. Though India has opened its gates wide open for the international investments into the retail markets, there is about 67% of unorganised sector still remains untapped. The retailers, the online marketers, the digital retail channels are entering into the Indian markets in II tier and III tier cities to establish themselves. Both organised and unorganised retail companies have to work together to ensure better prospects for the overall retail industry, while generating new benefits for their customers. Supported by the rising incomes the industry has large scope with the favourable demographics, entry of foreign players and growing small and big cities.

Rural markets show high growth potential if tapped with the right set of products and pricing. With increasing investments in infrastructure, connectivity to such towns is now becoming easier. This helps the retailer to increase reach in such high potential markets.

The private label space in the organized Indian retail industry has begun experiencing an increased level of activity. The share of private label strategy in the US and the UK markets is 19 per cent and 39 per cent, respectively, while its share in India is just 6 percent. India's price competitiveness attracts large retail players to use it as a sourcing base. Many international retailers are increasing their sourcing from India and are moving from third-party buying offices to establishing their own wholly-owned/wholly-managed sourcing and buying offices.

Conclusion

Indian retail industry is no doubt one of the largest and fastest growing industries. Like most developed countries, India's growth also relies on growth of its retail industry. India is becoming a dynamic market with many international brands entering India to capitalize on the growing consumption pattern shown by the country. With right reforms and government

initiatives, India retail industry is surely inching its way towards becoming the next boom industry. The future of the retail industry looks promising, as more and more Government policies have come into play, making it favourable to do business.

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HR Management in 21st Century: Challenges for Future

Annapurna Chitta

Abstract

Human Resource Management evolved itself over the years. From maintaining the industrial relations to Personnel management till HRM and HRD, it has transformed itself from time to time to meet the organizational/market needs. Humans, in any organization are the best resources. Managing these resources is what we call HRM. With globalization, introduction of millennials into the workforce and wide technological intrusion, HRM is about to face some new and achievable challenges. Maintaining the workforce diversity and continuous engagement of such radical workforce will be the greatest challenges. This paper talks about some such challenges faced in HRM in 21st century for the future – A shift from Human Resource Management to Talent management.

Today, the HRM is successful in becoming a strategic partner from the onceso-called happiness and wellness department. In addition, a few recommendations to handle the challenges are made at the end.

Keywords: Human Resource Management; Employee engagement, Workforce Diversity, Training and Development; Talent.

Introduction

Human Resource management (HRM) is a management function that helps managers recruit, select, train and develop members for an organization. It refers to a set of programmes, functions and activities designed and carried out in order to maximise both employee as well as organisational effectiveness [1].

Human Resource Management as a function takes care of many responsibilities across the organization. HRM is not the responsibility of the HR alone, every manager or lead who manages people owns this. HRM treats employees as an asset to the organization, a resource which can be used to achieve the organizational goals. Today HRM has to transform further and treat employees as more than an asset,

there has to be a mutual growth. Employees' today need to feel connected or oriented with the organizational goals. To achieve this effectively organizations have been using different strategies from time to time. In 21st century this seems to be an even bigger challenge. With globalization the world has come so close and there have been developments that might keep forward a few challenges too.

Challenges for Hrm In 21st Century

1. Talent War – Winning, this matters! (Attracting and Retaining Human Resources)

A massive change in the workforce has been observed in this century. Talent is all over the place, attracting and retaining them is a huge task. The market has changed from employer driven to the candidate driven. Due to increase in the demand for talented and worthy candidates it is also essential that the employees feel the organization worth and employee friendly. There was time when just perks and holidays were given priority; unlike this the millennials focus on feeling wanted and recognized. Staying in an organization is their choice and work only for their passion.

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2. Engaging the Workforce – Not just free lunch and rewards every time!

An “engaged employee” is one who is fully absorbed by and enthusiastic about their work and so takes positive action to further the organization’s reputation and interests [2].

Employee engagement is the emotional commitment the employee has to the organization and its goals. - Kevin Kruse [3].

According to Forbes only 15% of the workforce are engaged, 67% of the workforce are engaged and 18% of the workforce is actively disengaged [4].

Many a times employee engagement is mistaken for creating happiness through activities in the workplace. Engaging the employees is no more about the activities or rewards, today organizations need to understand the diversity and inculcate activities that help employees grow in their career and helps them be a better person each day. The present workforce no more is attracted to organizations which just organize lunch or dinner in the name of engagement. It must be facilitating and make them feel at home. Some organizations connect with the candidates to make a relationship with the employee even before he or she arrives at the office. A nap room or an open-door office is need of the hour. Being transparent to the employees as much as possible also enables them to trust the organization.

Employee Engagement Employee Efforts

3. Workforce Diversity – We are all connected!

Workforce diversity is organizations becoming a heterogeneous mix of people in terms of gender, age, ethnicity and sexual orientation. With the globalization and introduction of millennials the composition of the workforce has become much interesting and wide. The communication across the seas has become a tiny task. Today the workforce includes all the generations (y, z and millennials) from different cultures and off course a huge increase in the percentage of women at workplace. The globalization has also contributed to this challenge. Organizations include people from different cultures across the globe and need to cater to all their choices.

4. Work Life Balance – The most important aspect!

Work life balance is the prioritisation among the professional and personal in one’s life. This aspect has been under discussion since long and will continue to be. In the way world is connected, to most of the employees it is like they are always at work.

Attending the calls irrespective of time and being accessible to work whenever required are the daily tasks. There is a chance that employees might get stressed in such environment unable to balance their personal and professional life. Work life balance nowadays has to be an organizational initiative. They need to inculcate a culture, Work life balance shouldn’t be an HR concept – It has to be the way of life.

Recommendations

Focus on Employee Engagement

Employee engagement is one area which can be used effectively for Human resource management. Organizations can come up with innovative ideas to make the workplace a better environment. Play areas, nap rooms, travel facilities, providing recognition are a few ideas which can be used. Moving away from the typical cubical arrangement to the creative workplaces is the recent approach towards engagement. This helps the employees feel creative. Providing Flexible timings to the employees, helping them work in their comfortable timings when required, providing week offs and paid offs are some facilities that companies can offer to their employees. Employee engagement doesn’t restrict itself to just comforting the employees. When dwelled deep into the subject it takes every aspect from goal setting, recognizing their work, facilitating environment and helping them understand their goals and making them future ready.

Training and Development

Employees work for the organization; it is no more one way growth. The companies have to provide the employees with trainings that help them improve in their careers and also grow as a person. According to CIPD “60% of employees would opt to stay with an employer that invests in their professional growth, rather than go to an employer that pays more but doesn’t invest in professional development”.

Today trainings need not necessarily be a classroom setup. Online tutorials have created a buzz in the market. Companies can sponsor these trainings to employees as per the requirement and choice. It is important for the organizations to understand that training an employee is an asset whether they are able to retain the employee or not. If the employee stays, the company utilizes its resources. If the employee leaves, the best people get to know about the kind of activities that the organization takes up for its resources. In a way they brand for the organizations indirectly.

Innovation is the Key

The dynamic workforce today likes to innovate at every step they take, thinking creative and out of the box is their key to everything. Human resource management must upgrade similarly to purvey to the employee needs.

Employee Friendly – Transparent Environment

People like to act on their own authority and innovate. HRM should move from leader driven teams to self-driven or motivated culture. Working without barriers and having a transparent culture is the need of the hour.

Conclusion

We cannot deny the fact that HR has transformed a good amount in last few decades and we also need to accept that we need to pace up for the change to occur in the future. There is no organization that cannot run without the Human intellectual, no matter how many machineries or how much intelligence you apply it is the one human, one resource that will make

the difference. Happy employees create successful organization. The more the employees are engaged the more they are committed, and hence work smarter, harder and stay longer. We need to understand the importance of valuing the employees, not the way we can but the way they want. While the HR needs to work on improving the work area and making employees feel more important, it is also crucial that HR should work on itself to be ready for the future. Making use of Analytics, being good at what we do and most importantly being a Master of Leadership.

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Impact & Implications of GST on FMCG Sector in India

Salini Bathula

Abstract

Fast moving consumer goods sector is the 4th largest sector in India. This includes food products household products and personal care products. All together FMCG companies are providing the huge employment. The growth of the FMCG sector depends upon the consumers demand and as well as supply of the product. The present paper is an attempt to study the impact of GST on FMCG sector by analyzing pre and post GST condition of the said sector. A comparative analysis of selected FMCG companies has been done to get a comprehensive picture of how GST has implied on different set of FMCG product groups. This study has also tried to give an answer to the question whether GST has a positive or negative impact on FMCG sector of India.

Keywords: FMCG; GST.

Introduction of Study

Fast-moving consumer goods (FMCG) sector is the 4th largest sector in the Indian economy. This includes manufacturing and selling of food products, households and personal care products. Together FMCG companies are generating remarkable employment in the Indian economy. The Indian FMCG sector has strong presences of leading multinational companies and unorganized players with well distribution system with lowest operational cost. The growth of FMCG sector depends upon the consumers demand and as well as supply of the product. Market reach of FMCG sector products are extensive in India as it has captured most urbanized population and at the same time reached to the interior rural areas. Looking at the growth and development of this sector, Indian governments have put special measures to

regulate FMCG sector including the FMCG market. Some recent measures are consumer protection bill, food safety bill, FDI in 100% in retail, etc. These measures have well accepted and so far shown some positive impact on the growth of FMCG sector. But the recent introduction of Good and Service Tax (GST) has got an unexpected reaction from the sector.

Review of Literature

FMCG sector play a vital role on every human's life. Fast Moving Consumer Goods are economical products these are the non-durable products. FMCG sector is a significant contributor to India's GDP development. The International Monetary Fund has projected that India's GDP will grow by 7.4% during 2016-17. At present house hold and personal care are the leading segments in accounting of 50% in overall FMCG market. Encouraging demographic things are increase an earning level to enhance the Indian FMCG sector. The key drivers of this sector is easier to access, life style changes, growing awareness, increasing the brand value, growing youth population, easy to import the material and technology, rapid growth of the real estate, new product development, improving the service quality, growth in rural sector, availability of raw material and low labour cost etc.. To boost up the growth of Indian FMCG sector.

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According to the past reports Indian FMCG sector overall estimated growth is US\$185 billion. Fmcg sector has grown at a CAGR 12% at last decade. The total market size of US\$ 49 billion in 2016 According to BCG report and ASSOCHAM reports expected grow of Fmcg sector is CAGR 20.6% to reach US\$103.7 billion by 2020.

Some of the most important initiatives taken by the government to encourage the FMCG sector in India are as follows:

- In the Union Budget 2017-18, the Government of India has proposed to spend more on the rural side with an aim to double the farmer's income in five years; as well as the cut in income tax rate targeting mainly the small tax payers, focus on reasonable housing and infrastructure growth will provide various development drivers for the consumer market industry.
- The NDA Government taken decision to allow 100 per cent Foreign Direct Investment (FDI) in online retail of goods and services from end to end the automatic route has provided clarity on the existing businesses of e-commerce companies working in India.
- The Government of India has drafted a new Consumer Protection Bill with special importance on setting up a wide mechanism to make sure simple, speedy, easily reached, reasonable and timely delivery of justice to consumers.
- The Goods and Services Tax (GST) is helpful for the FMCG industry as many of the FMCG products such as Soap, Toothpaste and Hair oil now come under 18 per cent tax group against the earlier 23-24 per cent rate.

The Indian government has adopted Dual GST, I.e. Central and state level goods and services. It is a major and important step in tax reforms. Goods and Services Tax (GST) is a complete tax duty on manufacture, sale and utilization of goods and service at a national level. "New Article 366(12A) of the Indian Constitution defines Goods and Services Tax (GST) to mean any tax on supply of goods or services or both except taxes on the supply of the alcoholic liquor for human consumption". Before introducing the GST in India tax policies is different they are central tax, and state taxes. In central taxes are Excise duty, / sales tax, customs tax and service tax. In state level taxes are VAT, entertainment tax, luxury tax, electricity duty, entry tax and octroi. Presently these are all taxes under one law I.e. Goods and Service Tax (GST). The GST divided into 3 categories they are CGST, SGST/UTGST, and IGST.

GST law while having unique principles ,has a significant elements of prior central and state laws and also inspired by GST legislation of EU, Australia, Malaysia etc. along with international VAT/GST guidelines of OECD.

France: The first country to implement GST in 1954. Today 160 countries have GST/VAT. Most European countries introduced GST back in the 1970s-80s China completed Value Added Tax* (VAT) reforms in 2016 to replace its conflicting Business Tax system. Doing away with business tax and other taxes and switching to VAT has contributed to bursting of the Chinese real estate bubble. China also has partial GST, on some goods Japan introduced consumption tax in 1989 at a rate of 3%. In 1997 this increased to 5% and Japan went into recession. In 2012, Diet doubled the tax to 10%. Later the Shinzo Abe government delayed tax increase until April 2017. In 2016, a second postponement was announced which pushes the increase to October 2019!

Empowered Committee of Finance Ministers (2009) introduced their First Discussion Paper on Goods and Services Tax in India which analyzed the structure and loopholes if any in GST.

Vasanthagopal (2011) in the article GST in India: A Big move taken by the NDA government in the Indirect Taxation System to implement the GST and discussed the impact of various sectors. The article further stated that GST is a big move and a new encouragement to change the Indian economy.

Seventy Third Report of Standing Committee on Finance (2012-2013). The Constitution (One Hundred Fifteenth Amendments) Bill, 2011 Bird (2012) summarizes in the article The GST/HST: Creating an integrated Sales Tax in a Federal Country the impact of GST will be on Canada.

Herekar, (2012) The Ministry of Finance had set up the Task Force with Mr. V. Kelkar as the chairman of the Task Force. The main task of the Task Force was to evaluate the impact of the proposed GST on the Indian economy. The author in the paper has studied the different parts of GST and their impact on the common man, the business and the economy. The author has concluded based on secondary data that if GST is introduced in India, it would have a positive impact on the overall economy Garg (2014) in the article named Basic Concepts and Features of Good and Services Tax in India analyzed the impact and GST on Indian Tax scenario and concluded that it will strengthen out free market economy.

Pinki et al. (2014) studied, "Goods and Service Tax Panacea for Indirect Tax System in India" concluded the Indian government has implementation of GST is

giving the positive signs to the both governments and the consumers with a strong IT enables. *Kumar (2014) studied, "Goods and Service Tax - A way forward"* The implementation of GST in India all the indirect taxes under one tax. The GST is expected to support equability tax structure.

Sehrawat and Dhanda (2015) studied, "GST in India: A Key Tax Reform" and concluded that due to dissilent environment of India economy, it is demand of time to implement GST *Chaurasia et al. (2016) Studied, "Role of Goods and Services Tax in the growth of Indian economy"* and concluded that in overall GST will be helpful for the development of Indian economy and this will also help in improving the Gross Domestic Products of the country more than two percent.

Objectives

- To study implications and impact of GST on selected FMCG companies.
- To study the comparative effect on FMCG products before and after introduction of GST.

Impact of GST on FMCG Sector

The research majorly concentrates the overall impact of GST and comparative analysis of tax gains and losses in Indian FMCG sector before and after Implementation of GST. Indian tax system was wider before implementing GST. The tax divided into 2 groups I.e. direct tax and indirect tax. Introduction of the Value Added Tax (VAT) at the Central and the State level has been considered to be a main step – a major step forward –in the globe of indirect tax reforms in India. If the VAT is a major development over the pre-existing Central excise duty at the national level

and the sales tax system at the State level, then the Goods and Services Tax (GST) will really be an additional important perfection – the next logical step – towards a widespread indirect tax reforms in the country. Initially, it was conceptualized that there would be a national level goods and services tax, however, with the release of First Discussion Paper by the Empowered Committee of the State Finance Ministers on 10.11.2009, it has been made clear that there would be a "Dual GST" in India, taxation power – both by the Centre and the State to levy the taxes on the Goods and Services. Almost 150 countries have introduced GST in some form. While countries such as Singapore and New Zealand tax virtually everything at a single rate, Indonesia has five positive rates, a zero rate and over 30 categories of exemptions. GST is giving positive and negative effects on over all sectors. Food industry having the negative impact, housing and construction industry having the positive impact, and etc. All sectors of economy viz., big, medium, small scale units, intermediaries, importers, exporters, traders, professionals and consumers shall be directly affected by GST. Under GST the taxation burden will be divided equalibility between manufacturing and services through lower tax Rate by increasing tax based exemptions.

GST applies only to goods and the provision. The FMCG sector is a one of the largest sector in India. This sector mostly represented packaged goods and other consumer durables. The FMCG sector growth depends on some key drives they are changing lifestyle, easier to access the technology, increasing the income levels, and etc. Indian FMCG sector includes house hold, personal care, food and beverages and others. The GST is not applicable of alcohol liquor for human consumption. Food and beverages segment is the largest share in Indian FMCG setor. India is the world's second largest producer for food.

Table 1: Leading FMCG Companies in Food & Beverages Segment along with key product

ITC	Aashirvaad, Sun feast, Bingo! Yippee! Kitchens of India, B Natural, mint-o, Candy man
Amul	Amul Milk, Cheese, Ice Cream, Mithai Range, Chocolates, Butter milk, beverages
Parle Agro	Frooti, Café Cuba, Hippo, Maaza, Parle-G, Melody, Mango Bite, Poppins, Kismi Toffee Bar, Monaco and Krack Jack
Britannia Industries	Dairy products, Biscuits (Vita Marie Gold, Tiger, Nutri choice Junior, Good day, 50- 50, Treat, Pure Magic, Milk Bikis, Good Morning, Bourbon), breads, etc. Nestle Nescafe, Kit Kat, Maggi, etc.

Food and beverages segment has one of the smallest share in E-commerce market. However, due to change the consumer shopping habits presently significant growth having witnessed in purchase of food and beverages through online like bigbasket.

India is known to have a long heritage of personal care products. Personal care product segment in India is estimated to be worth of US \$17.4 billion in 2018. personal hygiene products such as bath and

shower products, deodorants, etc., hair care, skin care, colour cosmetics and fragrances are the key segments of the personal care segment. Lower price and small quantities offered by the companies have improved the Peace of saturation of FMCG personal care products. Increasing literacy levels, government welfare programs and support the agriculture sector and increasing the technology these are the key drives of boosting the rural demand of the FMCG personal care segment.

Table 2: Leading FMCG Companies in house hold Segment along with key products

HUL	Clinic Plus, Lifebuoy, Pears, Dove, Lakme, Sunsilk, Vaseline, Fair & Lovely etc
ITC	Vivel, Fiama Di Wills, Engage, Savlon, Superia
GCPL	Cinthol, Godrej No. 1, Godrej Nupur, Godrej Expert, Renew, etc.
P&G	Vicks, Oral-B, Olay, Gillette, Pampers, etc. Colgate Palmolive India Toothpastes, Toothbrushes, Mouthwash, Toothpowder, Palmolive thermal spa, etc

House hold segment mostly include the fabric and house hold cleaners. This segment facing the stiff

competition with the lowest margins. This segment occupied of the share 12-14% in Indian FMCG sector.

Table 3: Leading FMCG Companies in house hold Segment along with key products

HUL	Wheel detergent, Cif Cream Cleaner, Comfort fabric softeners, Domex disinfectant, Surf Excel detergent, Vim, etc
Reckitt Benckiser	Lysol, Air Wick, Mortein, Harpic, etc
Rohit Surfactants	Xpert Ultra Gel (Liquid), Ghari Detergent Powder, Ghari Detergent Cake, etc
P&G	Ariel, Tide, Ambi Pur, etc
GCPL	Goodnight, HIT, Aer, Ezee, etc.

Indian FMCG companies such as ITC, Patanjali, Amul, Godrej, etc. have witnessed a higher profit to compare with foreign brands namely HUL, GSK, Nestle, etc. Indian companies have improved their product portfolios, supply chain, and market share through non-living growth.

Indian FMCG companies have focused on increasing their charisma in idle markets such as Ayurvedic products. Other factors such as new product developments, pricing decisions, increasing international business have also helped these companies to improve their presence compared to the multinational firms.

Tax rates on FMCG Products before GST

FMCG has many taxes like VAT, Excise duty, central sales tax, service tax. Before implementing of GST the tax rate is 22-24%. The tax on detergents was 23% while sanitary napkins used to be taxed at the rate of 10-11%. Skincare products including shampoo were taxable at 24-25% standard rate, Butter, ghee, cheese used to be taxed at the rate of 4-5%. The average tax rate on FMCG products before GST was not more than 25% .

Post GST on FMCG Sector

GST was introduced the five standards of tax levels they are 0%, 5%, 12%, 18%, and 28%. Under new tax regime, the average tax on FMCG products is in the range of 18 to 20 percent, which is clearly lower than the previous tax system. Many of FMCG products and services are lower under GST. It is beneficiary to the business and manufactures. It is also benefit to the end costumer. The logistics cost also reduce under

GST, distribution system having the low cost under implementing the new taxation. Overall the storage and transportation cost of goods and services having low under GST. The products are widely consumed broad range of hair oils, tooth pastes, soaps under 18% of slab, which is lower than the previous tax rate I, e. 22-24%. The branded paneer and frozen vegetables has under 5% tax rate, it is more from previous tax rate 3-4%. Most of the item are in the 18% slab group. Detergents, shampoos, skin care and hair dyes these are the 28% slab, it is higher than the 24-25% tax rates. No tax on basic food products like milk, cereals and eggs would allow people to liberally spend on these items.

The total previous tax rate for the FMCG sector was around 22-24%. The new tax system (GST) for the FMCG sector is an average of 18-20%.

Some of the reputed FMCG companies like HUL, Patanjali, Dabur and ITC in India have started transitory on the benefits of reduced tax to their customers. These benefits passing to different form i.e. reduce the prices or by increasing the amount of product for the same price. Always the lower cost has encouraged the people to invest/spend more in FMCG sector. This will help to the reducing the cost of living. The FMCG companies deal in dryfruits, dairy-related products and etc it will also have a deal with the higher tax rate on their products. Under GST the macro level companies that deal in these supplies are enjoying the benefits of GST.

Beverages have been given the highest rate slab of 28% under GST, with cess 12%. According to the different Beverage companies, 40% is the effective tax rate for the sweetened aerated water and flavored water, which is not in line with the stated policy of maintaining uniformity with the existing weighted

Table 4: The new tax rates under GST impact major products and companies with in the sector

Product	Before GST	After GST	companies
Detergents	23%	28%	HUL, P&G, Jyothy Laboratories
Shampoo	24-25%	28%	HUL, P&G, Dabur, Himalaya, Patanjali
Sanitary napkins	10-11%	18%	P&G Hygiene and Health Care
Skincare	24-25%	28%	HUL, Dabur, Himalaya, Patanjali
Hair dyes	23-28%	28%	Godrej Consumer Products
Ayurvedic medicine	7-10%	12%	Dabur, Emami
Toothpastes, soaps, hair oil	22-24%	18%	Colgate-Palmolive, HUL, P&G
Paints	25-26%	28%	Asian Paints, Berger Paints, Nerolac
Branded paneer	3-4%	5%	Nestle, Mother Dairy
Butter, ghee, cheese	4-5%	12%	Amul, Nestle, Mother Dairy

average tax that is below 40%. This has been very disappointing for different companies like Coca-Cola India, Dabur India Ltd, Red Bull India Pvt. Ltd, Pepsi Co India Holdings Pvt. Ltd, and Pearl Drinks Ltd, as stated by the Indian Beverages Association (IBA).

Large retail outlets have started advertising the downward revised prices of FMCG items on account of GST tax rates. Tax rate on items such as coffee, custard powder, dental hygiene products, polishes and creams, sanitary ware, and washing power, razors and blades, has been cut from 28 percent to 18 percent.

This sector consists of more than 50% of food and beverage industry and around 30% of personal and household care thereby including the entire urban as well as rural parts of India.

Under the pre-GST regime, the distribution cost of the FMCG sector accounted for 2 to 7%, which may fall to 1.5% after the complete implementation of GST. An enormous impact and changes in terms of decrease cost due to the tax payments, smoother supply chain management, claiming input credit, under the GST Scenario. This result will lead to cheaper consumer goods.

Companies such as Marico will benefit from the change in the rates of edible oil, and the rates of hair oil have decreased in their favor as well. Colgate-Palmolive will also gain under GST, as toothpaste will become cheaper now. Gifting dry fruits on festivals will become an expensive affair now as the rates have increased from 4-5 percent to 12 percent. Also, the rates of dairy products like ghee, butter, and cheese have increased from an average of 4-5 percent to 12 percent. Companies like Amul and Nestle will likely revise prices on their products as a result of GST.

All FMCG companies said that GST will help boost rural demand. FMCG companies decided to reduce the MRP and added extra quantity in the line of GST reduction, and provide the additional discounts to their trade partners. The FMCG companies are decide

to passing the benefits of reduce the tax rates to their consumers. They are also re design the MRPs of previous products and also fresh products under GST slabs. The union budget 2018 is also gave the boost in FMCG companies to grow in a fast manner. Mainly the macro level firms having the benefits immediately but micro level companies waiting for the benefits of GST under long run. Some of the FMCG companies having the gains of Under GST. The consumers also benefited for some of the FMCG products to spend their income on those purchases but some of the products are having higher tax rates so the people lose the benefits.

Findings

GST is giving the boost in FMCG companies to contribute the Indian economy. GST helps the FMCG sector to pool the investments and increases their market share value.

FMCG products prices would be decreased and companies also giving the benefits to their consumers to reduced tax rate. It helps the companies to reduce their logistics and transportation cost, it always improving their production. FMCG companies encounter the effects of GST i.e. Positive as well as negative impact, and also try to gain the tax Benefits under GST.

Conclusion

Different products are taxed at different rates, on a macro level, the average tax and the final prices that the end customer ends up paying will average out, with some products becoming more expensive and others becoming cheaper. GST would give the boost up in investments and reduce the overall transportation cost, it always help the companies to reduce their production cost. Hence, shows an impact in a long period.

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Need of Cyber Security in Digital India

M.L. Himaja

Abstract

Information technology is the architect of the present world. It has given a new structure of the world as well as to society. For any transmission that may be information or an idea or goods or few of services or money everything can be done in the cyber space. This is more encouraging to conduct a cyber crime with reference to corresponding operation by the criminals. Once any one landed on this platform to perform they are not only connected to the world, and also welcoming a huge number of known and unknown people in to their personal world too. At this point of time cyber security take a lead to drive the process and safeguarding like a shield for individual data base in the cyber space. It also defends from unnecessary accessibility of one's information by the others and controls the cyber crime.

At present most of the financial transactions happened through online due to reasons like ease of transaction facility, government policy and to avoid physical cash payment. So everyone have just around the corner of their information by others. In the view of this, protecting the financial information of individual or organizations is a gigantic challenge in front of the information technology industry. The present paper is analyzing how threats takes place in the online transaction process and what are the recommendations to be practiced against those threats by providing more reliable security though cyber security methods and information technology techniques.

Keywords: Information Technology; Cyber Space; Cyber Crime; Financial Transactions.

Introduction

Cyber crime is a broad term that is used to define criminal activity in which computers or computer networks are a tool, a target, or a place of criminal activity and include everything from electronic cracking to denial of service attacks. It also covers the traditional crimes in which computers or networks are used to enable the illicit activity.

The present techno-sense environment, the world is becoming more and more digitally sophisticated

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and so are the crimes. Internet was initially developed as a research and information sharing tool and was in an unregulated manner. With a span it will turn into more transactional with e-business, e-commerce, e-governance and e-procurement etc. and also it creates a base for certain illegal practices by criminals known as cyber criminals. Here all legal issues related to internet crime are dealt with through cyber laws. As the number of internet users is on the rise, the need for cyber laws and their application has also gathered great forward motion. Because of the digitalization almost all everything related to cyberspace, where we can find cybercrime too, cyber security and cyber law implications are most optimal to lever the situation.

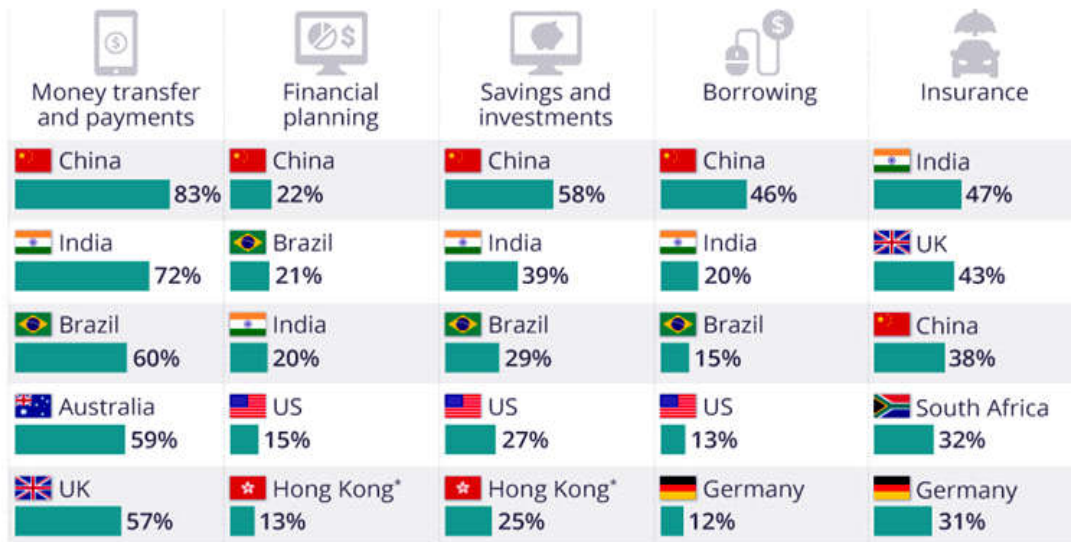
Literature Review

Cyber crimes can be defined as the unlawful acts where the computer is used either as a tool or a target or both. The term is a general term that covers crimes

Table 1: Usage of information technology for financial operations

FinTech adoption rates

Share of digitally active population using the following FinTech services, by country (2017)



*Hong kong is special administrative region of the Peoples’ Republic of China

like phishing, credit card frauds, bank robbery, illegal downloading, industrial espionage, child pornography, kidnapping children via chat rooms, scams, cyber terrorism, creation and/or distribution of viruses, Spam and so on.

Digital environment in India is wide spreading. Be it financial or non-financial in nature. One can observe the usages of digital media in following transactions.

- Most of transactions in shares are in De-mat form.
- Companies extensively depend upon their computer networks and keep their valuable data in electronic form.
- Government forms including income tax returns,

company law forms etc. are now filled in electronic form.

- Consumers are increasingly using credit/debit cards for shopping.
- Most people are using email, phones and SMS messages for communication.
- Even in “non-cyber crime” cases, important evidence will be the electronic gadget which has the capacity to store the information eg: in cases of murder, divorce, kidnapping, tax evasion, organized crime, terrorist operations, counterfeit currency etc.

Table 2: Cyber Law of India

Time	Event
October 2000	Information Technology Act 2000 came into force.
2006	Cyber Appellate Tribunal (CAT) started functioning
2008	NASSCOM established the DSCI.
December 2008	Information Technology (Amendment) Bill 2008 passed by Indian Parliament
February 2009	The IT (Amendment) Act 2008 received the assent of the President
October 2009	The IT (Amendment) Act 2008 came into force
2011. October	The central bank, RBI introduced a set of recommendations, which include the formation of separate information security groups within banks and maintenance of adequate cyber security resources based on their size and scope of operation
October 2012	Cyber security joint working group (JWG) released its “Engagement with Private Sector on Cyber Security” report.
July 2013	The government released the NCSP, which set forth 14 objectives that included enhancing the protection of critical infrastructure and developing 500,000 skilled cyber security professionals in the next five years
April 2017.	The IRDAI issued guideline, which require all insurance companies to appoint a CISO

Source: National Crime Records Bureau (NCRB)

Research Objective

1. Understand the digital environment in India.
2. Interpret the transactional process and cybercrimes and laws.
3. End with certain recommendations

Research Methodology

Secondary data analysis.

Data Analysis and Interpretation

Cybercrime cases such as online banking frauds, online share trading fraud, source code theft, credit card fraud, tax evasion, virus attacks, cyber sabotage, phishing attacks, email hijacking, denial of service, hacking, pornography etc. are becoming common in financial services(With reference to Table 1).

Digital signatures and e-contracts are fast replacing conventional method of transacting business.

With the sense of all we can understand that cyber security is that cyber attacks are not only restricted to the financial services and banking sector. It is important to note that industrial companies are equally vulnerable. At the same time, it has become clear that predictable IT systems and firewalls are increasingly becoming ineffective in preventing complicated hackers from creating confusion for this first we should understand the concept of cyber security

Crimes can be classified broadly in to two

1. Known
2. Unknown

In the same way reasons for cybercrime also be categories into three types

- Lack of awareness about cyber attacks
- Poor security arrangement
- Rapid technological development from criminal end

From the information, most of the attacks realizes only after once the loss takes place in the organization even though we are good enough to use the technology but not completely exposed to safeguarding our information as well as identifying threats this may leads to have cyber attack turn into huge loss. Here we can to identify a gap because of inaccurate

communication about the crime to host that is service provider of internet. It happens due to service providers are different from users. Even though by providing different kind security protocols like OTP, Pass words and authenticated accessibility we are welcoming the risk in to our path.

The criminal activities are one step forward to the technical procedure followed by the service providers and therefore, are able to breach the security.

Components of Cyber Security

Let us see different components in the cyber security space

- Data security
- Software security
- System security
- Human security
- Organizational security
- Societal security

While most of these components are technical, factors like human and societal security also have lasting repercussions on a company's digital security. Accidental disclosure of information is a common issue threatening the leakage of confidential company data. This may happened because of mobility of the devices and flexibility in working place. These two situations demand the user to access the unstructured connectivity which was nearly available to access the internet So be careful the next time you are cheerfully talking about an eventful day at work on social media - your business competitors may be keeping a close watch on it.

In the past the attacks have been initiated from forward countries like US,UAE, China but extensive use of internet and smart phones in India became a primary target for cyber criminals.

Year by year cyber attacks in India rising.

According to a report by *Hindu Business Line*, 15 crore of the total 230 crore e-transactions that took place last week were compromised. Given the government's Digital India policy which involves registering over a billion people on a unique ID, Aadhaar, and the subsequent controversy over user privacy, these findings are worrisome.

The report quotes sources highlighting that 40 percent of cyber attacks in India today impact financial and government websites. The most common of these attacks involve *Phishing, DoS, and Ransom ware attacks.*

According to an official quoted in the report, most of the breaches occur on Gmail accounts, and could be attributed to the fact that 'the maximum number of internet users (500 million) have smart phones based on Android' The cost of cyber attacks in India currently stands in excess of Rs25,000 core (\$4billion). It is important to note that there are many cyber attacks that go undetected and unreported as well, so this number could be much higher.

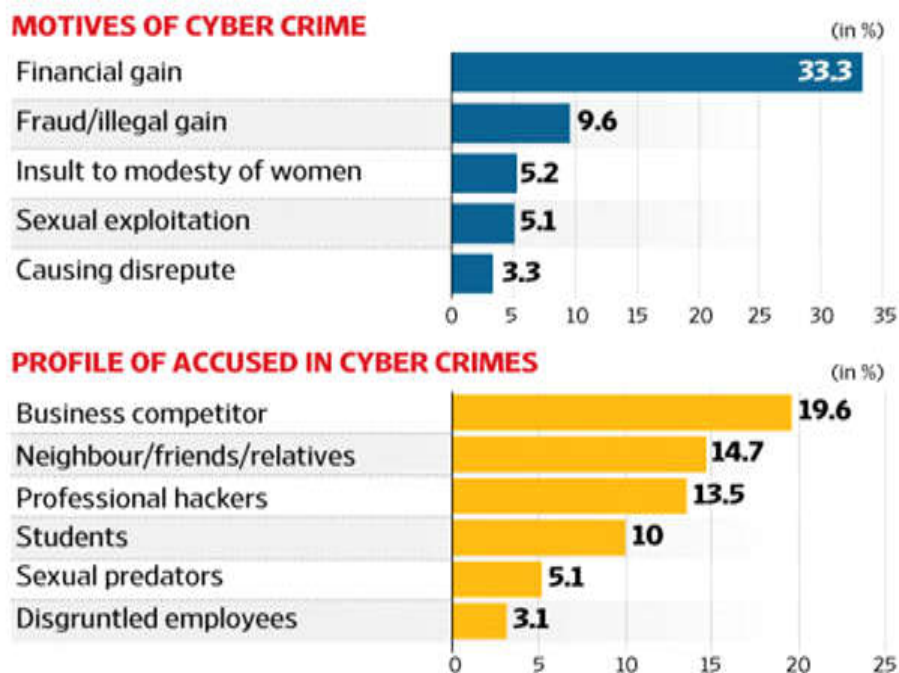
This losses originate commencing operational disruptions, loss of sensitive information and designs, customer agitate and impact on brand image, as well as increase in legal claims and insurance premium. The issue is forecast to balloon further in the coming years, reaching as high as Rs1.25 trillion (\$20 billion) over the next 10 years, as the business operations of most Indian companies become networked.

Findings

Many companies do not care for it as a strategic agenda, but rather as a small issue for their IT departments. In fact, a lot of cyber security incidents go undisclosed and hence, unreported.

From the table 3can understand that most of the accused ones belongs to corporate or business persons and the motive is either financial gain or financial loss. To control the cyber crime we need for specialized and customized industry-specific cyber security measures which are significantly different from IT security and need to be adapted by the industry. This will help you to understand complete picture of cyber space which include require skills sets to operate, different types of attacks and safety measures

Table 3: Information about reason for cyber crimes and different set of accused



Source: NCRB report (2016)

With this stand we needed to consider the below things to provide optimal security

Asset identification and valuation

- Threat assessment
- Vulnerability analysis, and
- Safeguarding/Counter-measuring selection

Once the risk is analyzed, the next step is to deep dive into the vulnerabilities, which include:

Find vulnerabilities - Look for weaknesses in servers, Operating System and software.

Highlight flaws – Ensure that systems are updated, look into patch management of malware and other systems with a threat to malware.

Find security weaknesses in existing and planned systems – Take into consideration aspects like testing existing systems for susceptibility and cost-effectiveness.

Along with the above process we should practice the following also

- Use anti-virus software
- If in doubt, block
- More than one e-mail accounts
- Ignore pop-ups
- Macs are as vulnerable as PCs
- Two-step verification
- Only shop online on secure sites
- Don't attract to words anything with excitement
- Different site, different passwords
- Don't store your card details on websites
- Lock down your FB account
- Don't store your card details on websites
- People should more alert regarding any attack
- Reaction against the attack is mandatory
- correspond immediately to concern departments for recovery
- Service provider and user both should feel more responsibility and accountability for every transaction in cyber space.
- Include the cyber security in strategic agenda
- Insure your data with the cyber insurance companies to minimize/avoid risk
- Social ethics must be observe by the people while they are benefit of huge information in cyber space

Conclusion

From all the above analysis we can conclude that the major motive of the cyber crime in most of the times is either financial gain or creating financial loss to accused person irrespective of which group they may belongs to and worth. To control the cyber crime society must be Initiating to adopt few rules and regulations to deal with their digital operations

- People must be educated and being with literacy in technical things before start digital operation rather than their sightless usage.

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Use of Digital Banking for Improving Quality of Service Delivery: An Empirical Study of Selected Indian Banks

Vaishali Pagaria

Abstract

Use of technology in the delivery of banking services is progressively becoming more common as it is being employed to reduce costs and eliminate uncertainties. This research studies the role that technology plays in Indian banking, challenges and issues faced by banks and its impact on the delivery of perceived service quality. The paper further focuses on how different sets of banks i.e. public, private and foreign banks in India are using digital banking for improving the quality of service delivery with the objective of enhancing customer satisfaction. A sample of 531 banking customers covering public, private and foreign banks was taken and statistical tools were applied on the data collected. Results indicate that though most of the customers are satisfied with the digital banking services of their respective banks, still they have some perceptual issues with some aspects like communication with the customers, taking customer feedback, response to the customers' query, etc. on electronic banking. These issues were further discussed with the respective banks to find out challenges faced by them while delivering techno-based services.

Keywords: Digital Banking; Service Quality; Service Delivery.

Introduction

Digital banking has emerged as the most acceptable and successful use of Information and Communication Technology (ICT) by the banking sector not only in its internal operations but also enhancing external relationship for providing better quality of services to its customers. Introduction of new innovative digital technologies and futuristic thought processes have given birth to whole new businesses and social dimensions. Recent government's projects like 'Make in India' and 'Digital India' have given boost to many industrial sectors to switch to introduce technological innovations in their business operations. Further, government also encourages technology adoption and up gradation through its 'Digital Transportation'

programme by facilitating connectivity with high speed bandwidth to every nook and corner of the country. One can see the effective reach of telecommunication to the most interior part of India which has made possible projects like digital payments using mobile applications, mobile money, e-wallets, payment aggregation etc.

Use of digital banking system has enabled Indian banks to use their full potential to capture new as well as existing market. With the use of digital banking system, service delivery quality of banking services have also improved than to traditional banking services. Adaptation and implementation of tech-savvy procedures of digital banking such as data integrity, authentication, trust and security require due concentration. This is because digital banking provides significant solutions to bankers for their short term and long term business and technological requirements. In the present scenario, digital banking and mobile technology are the most sought tools by every sort of banks as leverage of these will help banks in enhancing customer satisfaction, speedy delivery of services, high volume, financial inclusion, greater market share, etc.

This research investigates the role that technology plays in Indian banking, challenges and issues faced

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by banks and its impact on the delivery of perceived service quality. The paper further focuses on how different sets of banks i.e. public, private and foreign banks in India are using digital banking for improving the quality of service delivery with the objective of enhancing customer satisfaction.

Review of Literature

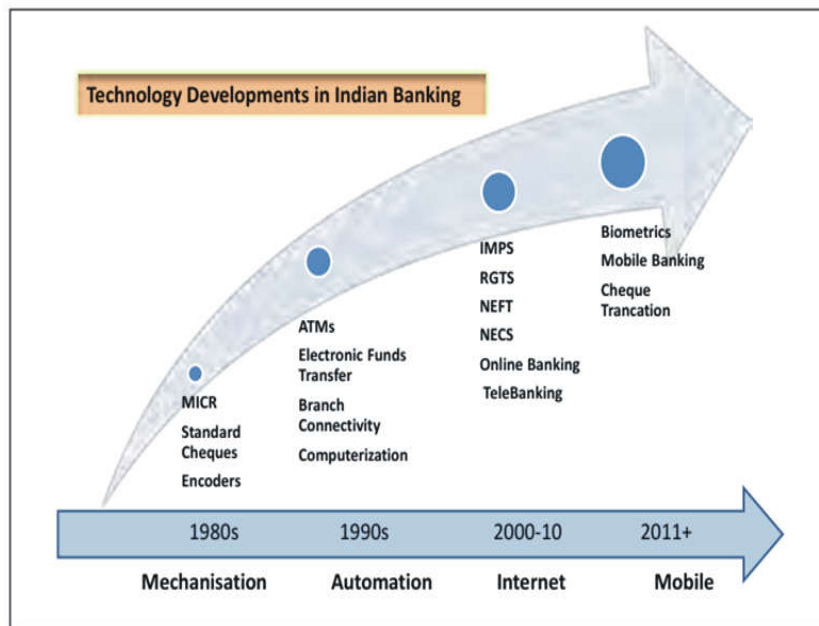
With the aim of improving customer service, ease in book keeping, reporting and reconciliation, etc. pushed Indian Banking Sector to adopt new computer based technology in the late 1980s. In 1988, Reserve Bank of India set up a committee on computerization in banks headed by Dr. C. Rangarajan; which suggested some critical solution of manual banking especially settlement and clearance operations (MICR based cheque processing). The committee also suggested setting up of a network of Automated Teller Machines (ATMs). A committee on Technology Issues relating to Payments System, Cheque clearing and Securities Settlement in the Banking Industry was formed under the chairmanship of Shri W.S.Saraf, in 1994. The committee recommended establishment of an Electronic Funds Transfer (EFT) system, with the BANKNET communications network as its carrier. These have given boost to the fast adaptation of computerization and use of electronic media in banking sector. Core banking solutions (CBS) with use of information technology helped banks to serve larger number of customers within a given time.

Customers' convenience were given a priority and they were served at their convenient time anywhere at any-time.

With the introduction of economic policies like Liberalization, Privatization and Globalization (LPG) in 1991-92, the Indian economy opened up and given way to the private and foreign banks. With their entry, public sector banks started facing competition specifically on the state of art technology used by private and foreign banks to serve customers. This has given further boost to Indian commercial banks moving towards digital banking to gain customer satisfaction in more efficient and effective way.

Over a period of time, commercial banks in India have introduced and implemented various techno-advanced banking practices which reflected into their innovative products and services and which also helped in achieving economies of scale. Especially, digital banking has resulted in reduction of costs at one end and generating revenue through different channels at the other end. As per the information available, the cost of a bank transaction on Branch Banking is estimated to be in a range of Rs.70 to Rs.75 while it is around Rs.15 to Rs.16 on ATM, Rs.2 or less on Online Banking and Rs.1 or less on Mobile Banking.

With the use of digital banking, banks are able to provide error free and more accurate documents to the customers and that to at customer's convenience. The present government is also aggressively promoting digital transaction. The payment system domains such as United Payments Interface (UPI) and



Source: ICAI, Jan 2017

Bharat Interface for Money (BHIM) are significant move of the government which has made revolution in the instant transfer of funds between accounts in different banks based on the virtual address without mentioning account no. With support from government, the prime agenda for every commercial bank in India is now how to use technology to gain customer satisfaction so as to capture maximum market share.

As stated in RBI Report, 2016-17, there are 2,22,475 ATMs and 25,29,141 Point of Sale devices (POS). New techno-based services like NEFT (National Electronic Fund Transfer), ECS (Electronic Clearing Service), RTGS (Real Time Gross Settlement), Cheque Truncation System, Mobile banking system, Debit cards, Credit Cards, Prepaid cards have all gained wide acceptance in Indian banks as well as by the customers. All these services together are contributing significantly towards the digital revolution in the banking sector.

Looking at the pace at which digital banking is booming in Indian banking sector, a need has arrived to know whether it is actually contributing to enhance customer satisfaction. Is digital banking actually enabling banks to improve quality of service delivery? Are banks ready competing not only at the financial prowess but also at the technology based operational efficiency? Banks must need to address all these questions if at all they want to keep their position in the core markets. The present paper is an attempt to get answers to these questions.

Research Objectives

The present study aims to understand the use of digital banking for improving quality of service delivery in the Indian banking sector. The specific objectives of the paper are as under:

1. To understand the scope of digital banking in delivery of banking services.
2. To find out which digital banking attribute contribute/s in delivery of quality services.

Research Methodology

The research methodologies used are both explorative research and descriptive research. For secondary research, RBI website, online articles and management journals are studied. For primary research, a questionnaire were prepared to capture customers' response from 15 selected banks covering

public, private and foreign banks located in Hyderabad and Secunderabad cities of Telangana state of India. Total 531 responses have been gathered and statistical tools like descriptive statistics, t-statistics were applied with the hypothesis that the population mean is less than 3: Mean < 3.

Data Analysis of Individual Digital Banking Service Attributes

As could have been expected, the distribution of responses for level of satisfaction was skewed towards lower scores with all means ranging between "1.77 - 2.46" on a scale of "1-5" (where 1 anchor extremely satisfied to 5 anchors extremely dissatisfied). The averages for all 21 service attributes have been obtained. From these, it can be observed that service attributes 1, 3, 4, 7-11, 13, 14 and 16 (response questions) have the lowest average mean scores ranging between "1.77 - 1.98". Whereas digital service attributes 2, 5, 12, 15 and 17-21 (response questions) have the highest average mean scores ranging between 2.01-2.46. The overall grand mean of all 21 service attributes is 2.02 which is below the average mean i.e. 3.

The 'standard deviation', 'standard error' for all the 21 digital service attributes has been obtained. The 'standard deviation' for all the 21 service attributes are small (ranging 0.5 to 0.92). This means that there is consistency in the 531 responses for all 21 statements. This makes it possible for us to perform detailed statistical analysis.

The 't-statistic' values indicate that for all the 21 service attributes there is a significant difference between the actual observed mean and the expected mean of '3'. This is an indication that for all the service attributes the difference between actual mean and expected mean value is significant. All the 21 service attributes can be regarded satisfactory for service quality in banks.

Findings

The service attributes such as SMS services, transaction settlement time in net banking, mobile-banking, RTGS, NEFT, etc., ability to provide error free and accurate online documents, navigation, download speed and server support in net-banking and mobile-banking, performance of bank's mobile applications, and keeping customer's best interest at heart by maintaining privacy and security of transaction have emerged as satisfactory among customers of all sets of banks. These are the factors that characterize a good bank which satisfies its customers.

Table 1: Individual Digital Banking Service Attributes

Sr. No.	Digital Service Attributes	Mean	Standard Deviation	Standard Error	t-statistics (lower- tailed)
1	A/C related services eg. bank statement, debit card, credit card, ATM, net-banking, mobile banking, RTGS, NEFT, etc.	1.98	0.57	0.02	-41.60
2	Operationality of ATMs	2.34	0.92	0.04	-16.73
3	Transaction Settlement Time in Net Banking, Mobile-Banking, RTGS, NEFT, etc.	1.85	0.63	0.03	-41.93
4	Ability to Provide Error Free online A/C Statement, Interest Statement, etc.	1.92	0.50	0.02	-49.56
5	Clarity of statements, Documents, etc.	2.02	0.62	0.03	-36.80
6	Ability to explain online processes & procedures, schemes, system, banking operations, etc.- User friendly	2.12	0.76	0.03	-26.39
7	Navigation in Net Banking & Mobile-Banking	1.79	0.64	0.03	-43.65
8	Download speed in Net Banking & Mobile-Banking	1.85	0.67	0.03	-39.55
9	Server Support in Net Banking & Mobile-Banking	1.89	0.69	0.03	-37.10
10	SMS Services	1.77	0.69	0.03	-40.90
11	Performance of Bank Mobile Application, if any	1.87	0.70	0.03	-37.19
12	Right Deliver of digital service First time and every time	2.01	0.56	0.02	-40.77
13	Keeping customers' best interest at heart by maintaining privacy of transaction	1.83	0.66	0.03	-40.67
14	Keeping customers' best interest at heart by providing security of transaction	1.83	0.66	0.03	-41.21
15	Realization of errors and recovery	2.16	0.60	0.03	-32.51
16	Communication with customers	1.93	0.73	0.03	-33.77
17	Taking Customer Feedback on regular interval	2.33	0.72	0.03	-21.28
18	Extent to which the feedback from customers is used to improve service standard	2.13	0.73	0.03	-27.58
19	Problem solving speed	2.26	0.83	0.04	-20.65
20	Reasons specified for any query	2.46	0.77	0.03	-16.20
21	Overall standard of the service	2.13	0.59	0.03	-34.11
				t-Table Value	-1.66

Bank customers in the era of digitalization, looks online banking as important instrument for availing various banking services as it gives flexibility and ease of doing banking. Similarly, when the present government promoting digital banking, bank which provides online banking backed by secured and speedy navigation and server back-up will have competitive advantage. With the revolution in the ICT, updating customers with their bank transaction become very easy for all banks. Banks are very particular in providing information promptly relating to customer's account, transactions, new-schemes, promotions and any other communication through SMS to their customers.

Digital banking is a new-aged banking contributing highly on the customer satisfaction. All sets of banks have understood this well and provide user friendly mobile banking application which helps them in faster reaching to their customers and as a result capturing higher market share, especially in retail banking. In the demonetization scenario (post Nov. 2016), technological enhanced banking operations and processes have proved boon to customers as they could do banking transaction without standing in a long queue for cash.

On the other hand, service quality attributes which are marked somewhat satisfied by customers of selected PSBs, PvtSBs and FBs are operationality of ATMS, taking customers' feedback online, extent to which the feedback from customers is used to improve service standard, problem solving speed, and reasons specified for any query. These issues were further discussed with the respective banks to find out what are the challenges faced by them while delivering techno-based services. Following are some of the challenges listed out by the bank employees.

- One of the prime characteristic of digital banking is its self-service mode. Most of the customers are not fully aware of the operationality of online banking services. This cause confusion and raise unrelated queries. And when these types of questions not answered, the customers feel unattended.
- Customers' adaptation to the digital banking from conventional banking is also one of the big challenges especially with senior citizens. They fear security and privacy of their transactions. This call for a need for customer segmentation which will not only smooth the interaction, but also enable banks to targeted product placement, thus

increasing the likelihood of further acceptance.

- Lack of proper knowledge and skills among the bank employees is also one of the causes for not responding to customer feedback. There is a need to train bank employees to deal with the new innovative technology in banking sector.

Conclusion

From the above findings, it can be concluded that digital systems used by all sets of banks are helping in delivery of quality services. The bottom line is that the bank must win customers' trust as it deals with their hard-earned money. Until bank gets success in achieving its depositors' confidence, it cannot compete in the market. This can be done only by assuring full proof digital banking operations and processes. Banks' technological advanced system can help to check and monitor its operation to avoid any fraud. CBS is one such example wherein all linked branches have access to track any of their customer's account irrespective of their location. Being in the financial sector, banks have understood to give due importance to maintain secrecy and privacy of each transaction. Customers always prefer a bank where this is guaranteed and they are satisfied with the present system offered by all sets of banks. On the other hand, when it comes to providing quality services, customers' view or feedback is one of the crucial aspects to complete the operational process. This is because, ultimately quality of services are measured based on the level of customers' satisfaction. Therefore, all sets of banks must look at these attributes as discriminating opportunities to offer customer centric quality service.

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Performance of Insurance Companies in Relation to Budgetary Provisions of Government of India

K. Anjaneyulu

Abstract

The insurance sector has witnessed many structural transformations and significant positive changes after liberalisation in the year 2000. Earlier insurance meant just the Life Insurance Corporation (LIC), the only company to serve the entire Indian life insurance market. But now today, people having the alternative and opportunity to select need based products from a variety of policies offered by different private life insurance companies. As a move to it, the government has increased its spending in the insurance sector aiming at an inclusive and long-term development of the economy. In this context, the present paper focuses to study the impact of union budget 2017 in uplifting the general insurance sector and to trace the challenges faced by potential insurance base in India. This paper also portrays the insurance penetration and density in India along with identifying the important aspects boosting the insurance sector. In India, although the savings rate is high, people prefer to invest either in gold or fixed assets in the hope of appreciating by paying premium to an insurance company. Premium is collected by insurance companies which also act as trustee to the pool. Any loss to the insured in case of happening of an uncertain event is paid out of this pool. Both LIC and Private life insurers are regularly updating their products, improved insurance services to lure and retain customers and expanding distribution channels with an aim to spread insurance benefits to each and every corner of the country. In this context, the present study has been undertaken to understand the role of salaried person and their extent to which risk perception affects the policy purchasing decision.

Keywords: General Insurance; Premium; Indemnity; Insurance Penetration.

Introduction

The insurance sector has witnessed many structural transformations and significant positive changes after liberalisation in the year 2000. Earlier insurance meant just the life insurance corporation of India(LIC), only the company to serve the entire Indian life insurance market. But now today, people having the alternative and opportunity to select need based products from a variety of policies offered by different private life insurance companies. Every

human being has the tendency to save, as protection against risks, losses or future events. Insurance is one form of saving.

Meaning

An arrangement by which a company or the state undertakes to provide a guarantee of compensation for specified loss, damage, illness, or death in return for payment of a specified premium.

Definition

Insurance is a Risk-transfer mechanism that ensures full or partial financial compensation for the loss or damage caused by event(s) beyond the control of the insured party. Under an insurance contract, a party (the insurer) indemnifies the other party (the insured) against a specified amount of loss, occurring from specified eventualities within a specified period, provided a fee called premium is paid. In general

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insurance, compensation is normally proportionate to the loss incurred, whereas in life insurance usually a fixed sum is paid. Some types of insurance (such as product liability insurance) are an essential component of risk management, and are mandatory in several countries.

Importance of Union Budget on Insurance Sector

The general insurance industry hailed the Union Budget and welcomed the government's decision to increase the coverage under the Pradhan Mantri Fasal Bima Yojana from 30 percent to 40 per cent in 2017-18 and 50 per cent in 2018-19. The government has increased its spending on PMFBY to Rs 13,240 crore, which the industry believes will help bring more farmers under the insurance cover. "Indian farmers need risk mitigation mechanism in the form of insurance and PMFBY will compensate them whenever they suffer crop loss during natural disasters," New India Assurance CMD G Srinivasan said. New India has underwritten premium of Rs 1,100 crore under the scheme in the current fiscal so far and it plans to increase it to Rs 2,000 crore in the next financial year. "The increase in insurance cover under PMFBY will result in increase in premium by 15-20 per cent by the industry in the next fiscal," National Insurance chairman and managing director, Sanath Kumar said. ICICI Lombard MD & CEO, Bhargav Dasgupta said, "This government has done more to promote insurance as a risk mitigation tool and the decision to increase the coverage under the Pradhan Mantri Fasal Bima Yojana to cover 40 per cent of crop area is a continuation of that approach." The budget aims at continuing with the government's agenda of pursuing an inclusive and long-term development of the economy by focusing on the core enablers, including infrastructure, digitisation, rural development, among others. New initiatives, such as a proposed model on contract farming are a welcome move."

Review of Literature

Murugan (2009) In his article has evidently explained the impact of globalization on insurance industry in India. The introduction of private players in the industry has added colours to the dull industry. The initiatives taken by the private players are very competitive and have been gradually declined after the entry of private and foreign insurers, but the industry has witnessed significant growth after globalisation and liberalisation of the industry.

Uma, selvanayaki & Shankar (2011) based their article titled "A survey of Life Insurance customer's awareness, perception and preference's" on the survey of 100 customers of life insurance policies, carried out in Coimbatore. It throw's light on various aspects related to customer's awareness, perception, and preferences pertaining to life insurance. The primary objectives of this survey were to find preferences of customers towards various life insurance policies, factors influencing choice of life insurance policy and awareness about life insurance brands.

Mouna Zerriaa and Hedi Noubbigh (2015), in their research paper, "Determinants of Life Insurance Demand in the MENA Region" have tried to investigate the determinants of life insurance consumption in the Middle East and North Africa (MENA) region using a sample of 17 countries over the period 2000- 2012. They have used two measures of life insurance demand: insurance density and insurance penetration. This research states that consumption increases with income, interest rates and inflation and also it highlights that country's level of financial development, life expectancy and educational attainment stimulates life insurance demand in a nation.

Objectives of the Study

The present paper aims to bring out the impact of current union budget 2017-18 on insurance sector. However, the paper is guided by the following sub objectives.

1. To trace the potential insurance subscriber base in India and review the financial performance.
2. To identify the important aspects boosting the insurance sector operational performance.
3. To draw the conclusions from the current scenario on insurance sector and offer a few suggestions to insurance companies to develop their business.

Scope of the Study

The paper is a secondary data based one and aims to deal with the impact of budgetary provisions on the present and potential insurance business in India.

Conceptual Framework Methods

The present paper consists of the secondary data collected from IRDA publications. Further, the data is compiled in terms of real premium growth rate in advanced countries to give a fair view about the global scenario.

Region-wise life and non-life insurance premium in India and other contemporary regions is presented to give a fair view in Asia and other emerging markets. Eventually, insurance penetration and density in India is provided from 2001-16 to fulfil the time series consistency.

Global life premium growth is expected to improve over the next few years, mainly driven by the emerging markets. Growth in non-life sector is expected to remain moderate, driven mainly by advanced economies. Globally, the share of life insurance business in total premium was 55.3 percent. However, the share of life insurance business for India was very high at 77.95 percent while the share of non-life insurance business was small at 22.05 percent. In life

insurance business, India is ranked 10 among the 88 countries, for which data is published by Swiss Re. India's share in global life insurance market was 2.36 percent during 2016. However, during 2016, the life insurance premium in India increased by 8 percent (inflation adjusted) when global life insurance premium increased by 2.5 percent.

Insurance Penetration and Density in India

The measure of insurance penetration and density reflects the level of development of insurance sector in a country. While insurance penetration is measured as the percentage of insurance premium to GDP, insurance density is calculated as the ratio of premium

Table 1: Total real premium growth rate in 2016 (in per cent)

Regions/countries	Life	Non-Life	Total
Advanced countries	-0.5	2.6	0.7
Emerging countries	16.9	7.8	13.5
Asia	7.4	9.2	7.9
India	8.0	8.1	9.1
World	2.5	3.6	3.1

Source: IRDAI Annual report 2017

Table 2: Region wise Life and Non-life insurance premium

Regions/countries	Life	Non-Life	Total
Advanced countries	2110.53 (55.56)	1688.12 (44.44)	3798.65 (100.00)
Emerging countries	506.49 (54.25)	427.75 (45.75)	933.54 (100.00)
Asia	1000.27 (66.97)	493.26 (33.03)	1493.53 (100.00)
India	61.82 (77.95)	17.49 (22.05)	79.31 (100.00)
World	2617.02 (55.30)	2115.17 (44.70)	4732.19 (100.00)

Source: IRDAI Annual report 2017

Table 3: Insurance penetration and density in India

Year	Life		Non-life		Industry	
	Density (USD)	Penetration (%)	Density (USD)	Penetration (%)	Density (USD)	Penetration (%)
2001	9.10	2.15	2.4	0.56	11.50	2.71
2002	11.70	2.59	3	0.67	14.70	3.26
2003	12.90	2.26	3.5	0.62	16.40	2.88
2004	15.70	2.53	4	0.64	19.70	3.17
2005	18.30	2.53	4.4	0.61	22.70	3.14
2006	33.20	4.10	5.2	0.6	38.40	4.80
2007	40.20	4.00	6.2	0.6	46.60	4.70
2008	41.2	4.00	6.2	0.6	47.40	4.60
2009	47.7	4.60	6.7	0.6	54.30	5.20
2010	55.7	4.40	8.7	0.71	64.40	5.10
2011	49	3.40	10	0.7	59.00	4.10
2012	42.7	3.17	10.5	0.78	53.20	3.96
2013	41	3.10	11	0.8	52.00	3.90
2014	44	2.60	11	0.7	55.00	3.30
2015	43.2	2.72	11.5	0.72	54.70	3.44
2016	46.5	2.72	13.2	0.77	59.70	3.49

to population (per capita premium). During the first decade of insurance sector liberalization, the sector has reported consistent increase in insurance penetration from 2.71 percent in 2001 to 5.20 percent in 2009. Since then the level of penetration was declining. However, there was a slight increase in the years 2015 (3.44 percent) and in 2016 (3.49 percent). The level of insurance density reached the maximum of USD 64.4 in the year 2010 from the level of USD 11.5 in 2001. During the year 2016, the insurance density was USD 59.7 (USD 54.7 in 2015). The insurance density of life insurance sector had gone up from USD 9.1 in 2001 to reach the peak at 55.7 in 2010. Since then it has exhibited a declining trend upto the year 2013.

During the year 2016, the level of life insurance density was USD 46.5 (USD 44 in 2014 and USD 43.2 in 2015). The life insurance penetration had gone up from 2.15 percent in 2001 to 4.60 percent in 2009. Since then, it has exhibited a declining trend upto the year 2014. There was a slight increase in 2015 reaching 2.72 percent and remained unchanged in 2016. Over the last 10 years, the penetration of non-life insurance sector in the country remained steady in the range of 0.5-0.8 percent. However, its density has gone up from USD 2.4 in 2001 to USD 13.2 in 2016.

Financial Performance of Insurance Companies in Private and Public Limited Companies

Financial performance refers to the act of performing financial activity. In broader sense, financial performance refers to the degree to which financial objectives being or has been accomplished. It is the process of measuring the results of a firm's policies and operations in monetary terms. It is used to measure firm's overall financial health over a given period of time and can also be used to compare similar firms across the same industry or to compare industries or sectors in aggregation.

Market Share

On the basis of total premium income, the market share of LIC decreased from 72.61 percent in 2015-16 to 71.81 percent in 2016-17. The market share of private insurers has increased from 27.39 percent in 2015-16 to 28.19 percent in 2016-17. The market share of private insurers in first year premium was 28.89 percent in 2016-17 (29.46 percent in 2015-16). The same for LIC was 71.11 percent (70.54 percent in 2015-16). Similarly, in renewal premium, LIC continued to have a higher share at 72.31 percent (73.87 percent in 2015-16) when compared to 27.69 percent (26.13 percent in 2015-16) share of private insurers.

Table 4: Market share: life insurers

Insurer	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
	Regular premium (1)		Single premium(2)		First year premium(3=1+2)	
LIC	46.83	44.31	84.27	84.83	84.27	84.83
Private Sector	53.17	55.69	15.73	15.17	15.73	15.17
Total	100	100	100	100	100	100
	Renewal premium(4)		Total premium(3+4)		Insurer	
LIC	73.87	72.31	72.61	71.81	205.47 (1.86)	201.32 (-2.02)
Private Sector	26.13	27.69	27.39	28.19	61.92 (7.92)	63.24 (2.13)
Total	100	100	100	100	267.38 (3.02)	264.56 (-1.05)

Source: IRDAI Annual report 2017

Table 5: (A)&(B) premium (within india) underwritten by general and health insurers segment-wise (crore)

Table 5a:

Segment	2015-16	2015-17
Fire	8731.46 (9.06)	9538.01 (7.44)
Marine	2984.38 (3.10)	2917.47 (2.28)
Motor	43200.86 (43.89)	50250.53 (39.22)
Health	27457.30 (28.49)	34526.61 (26.95)
Others	14905.37 (15.47)	30895.72 (24.11)
Total Premium	96379.37	128128.34

Table 5b:

	2015-16	2016-17
Public Sector Insurers	-10834.80 (-0.25)	-15590.71 (-0.32)
Private Sector Insurers	-3663.83 (-0.13)	-2948.83 (-0.09)
Standalone Health Insurers	-275.25 (-0.09)	-86.51 (-0.02)
Specialised Insurers	-188.08 (-0.06)	-214.36 (-0.07)
Total	-14958.96 (-0.20)	-18840.41 (-0.21)

New Policies

During 2016-17, life insurers issued 264.56 lakh new policies, out of which LIC issued 201.32 lakh policies (76.1 percent of total new policies issued) and the private life insurers issued 63.24 lakh policies

(23.9 percent of total new policies issued). While the private sector registered a growth of 2.13 percent in the number of new policies issued against the previous year, LIC registered a slight decline of 2.02 percent.

Table 6: Gross commission expenses: general and health insurers

Segment	Public Sector Insurers		Private Sector Insurers		Standalone Health Insurers		Specialised Insurers		Total	
	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
Fire	602.07	575.48	223.92	256.00	NA	NA	NA	NA	825.99	831.48
Marine	141.06	151.29	104.36	110.69	NA	NA	NA	NA	245.42	261.98
Motor	983.87	1072.69	789.46	919.64	NA	NA	NA	NA	1773.33	192.33
Health	1113.87	1281.19	597.74	704.45	456.75	664.08	NA	NA	2168.36	2649.72
Others	501.93	544.16	267.77	315.24	NA	NA	3.69	6.75	773.39	866.15
Total	3342.80	3624.81	1983.25	2306.02	456.75	664.08	3.69	6.75	5786.49	6601.66

Source: IRDAI Annual Report 2017

Table 7: (A) operating expenses, (B) net incurred claims general and health insurers (crore)

Table 7a:

	2015-16	2016-17
Public Sector Insurers	12528.44	12838.19
Private Sector Insurers	9018.00	10694.19
Standalone Health Insurers	1396.7	1696.18
Specialised Insurers	301.47	365.79
Total	23244.70	25594.35

Table 7b:

	2015-16	2016-17
Public Sector Insurers	38104.27 (20.17%)	49043.19 (28.71%)
Private Sector Insurers	21771.81 (12.05%)	25771.04 (18.37%)
Standalone Health Insurers	1769.75 (32.40%)	2392.05 (35.16%)
Specialized Insurers	2856.57 (-1.40%)	3455.87 (20.98%)
Total	64502.40 (16.78%)	80662.14 (25.05%)

Table 8: (A) Investment income & (B) Profit after tax of general and health insurers (crore)

Table 8a:

	2015-16	2016-17
Public Sector Insurers	12147.41 13.26%	13241.00 9.00%
Private Sector Insurers	5684.50 19.15%	7083.91 24.62%
Standalone Health Insurers	241.34 35.16%	312.3 29.41%
Specialised Insurers	1004.57 7.70%	1093.05 8.81%
Total	19077.82 14.88%	21730.28 13.90%

Table 8a:

	2015-16	2016-17
Public Sector Insurers	1499	-2551
Private Sector Insurers	1333	2763
Standalone Health Insurers	-177	27
Specialised Insurers	583	606
Total	3238	845

Table 9: Dividend paid General, Health and reinsurers (crore)

	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
	General Insurers		Standalone Health Insurers		Specialized Insurers		Reinsurers	
Public sector	482	65	73	NA	65	73	860	0
Private sector	247	0	0	0	0	0	0	0
Sub Total	729	65	73	0	65	73	0	0

Source: IRDAI Annual report 2017

The types of Non Life Insurance Products and the prominent indemnifier/insurers/underwriters:

- A. Automobile - Comprehensive, Third party, Theft, Damage
- B. Property - Fire, Theft, Burglary, Calamities
- C. Personal - Health, Accident, Travel, Air travel
- D. Official - Cash-in-transit, Marine, Fidelity etc.

Results

Compilation, the cost of treatment will be borne by the former subject to certain terms and conditions as laid down in the policy document. Health Insurance industry is growing fast mainly due to liberalisation of economy and general awareness. The General Insurance Corporation of India and the Insurance Regulatory and Development Authority (IRDA) had launched an awareness campaign to improve the awareness and reduce the procrastination for buying health insurance.

The general insurance business in India was nationalised by the government of India through the General Insurance Business (Nationalization) Act (GIBNA) of 1972. Till 2000, The General Insurance Corporation of India (now known as General Corporation of India-Reinsurance or GIC-RE) was formed. GIC-RE is the sole reinsurance company in the Indian insurance market with over four decades of experience. GIC-RE has its registered office and headquarters in Mumbai. GIC has 4 subsidiaries namely:

1. National insurance company limited
2. New india assurance company limited
3. Oriental insurance company limited
4. United india insurance company limited

GIC had a monopoly on the general insurance business in India until the landmark insurance regulatory and development authority act (IRDA ACT) of 1999 came into effect on 19 April 2000. This act amended insurance Act of 1938 and ended the monopoly of GIC and its subsidiaries and liberalized the insurance business in India. Now health insurance is offered by many private companies, e.g. Apollo Munich, Bajaj Allianz Religare, L&T, Max, HFDC etc.

Health insurance policies offer both individual and family cover. In consideration of the insured person having paid the premium for the policy period stated in the schedule or further period of insurance for which the company may accept the premium for

renewal of this policy, the insurer undertakes that if during the period of insurance or during the continuance of policy by renewal the insured person contract any disease or suffer from any illness or sustain any bodily injury through accident and if such disease or injury shall require, upon the advice of a qualified medical practitioner, hospitalization for medical/surgical treatment in any nursing home/hospital in India as defined in the policy, the insurance company will pay the amount of such expenses as may be reasonably and necessarily incurred in respect thereof as stated in the schedule but not exceeding the sum insured in aggregate in any one period of insurance provided that all the terms, conditions and exceptions of the policy. The medically necessary treatment is defined as any treatment, tests, medication, or stay in hospital or part of a stay in hospital which is required for the medical management of illness or injury suffered by the insured. It must not exceed the level of care necessary to provide safe, adequate and appropriate medical care in scope, duration or intensity and further it must have been prescribed by a medical practitioner. For this purpose the word disease means a condition affecting the general wellbeing and health of the body that first manifests itself within the period of insurance and which requires treatment by a medical practitioner. Normally, disease does not include any mental disease (a mental or bodily condition marked by disorganization of personality, mind and emotions to impair the normal psychological, social or work performance of the individual) regardless of its cause or origin. Payment options include Direct Payment or Cashless Facility. Under this, the person does not need to pay the hospital as the insuree pays directly to the hospital. The policyholder and all those who are mentioned in the policy can undertake treatment from those hospitals approved by the insurer. The other option is the reimbursement at the end of the hospital stay: After taking for the duration of the treatment, the patient can take a reimbursement from the insurer for the treatment that is covered under the policy undertaken. Under the Income Tax. Under section 80D.

Findings/Discussion

Star Health Wants 40% more premium this fiscal

Star health insurance and allied insurance (SHIAI) aims to collect a premium of Rs.3000 by the end of this fiscal. V. Jagannath, Chairman and managing director, SHIAI, told, "We have managed to achieve Rs.1,530 crore during April-November 2016 and I believe we would be able to achieve a premium of Rs

2,800- Rs 3,000 crore by the end of this financial year". The company mostly operates in Tamil Nadu, Maharashtra, Kerala and Karnataka. The company is also working in some products, which would be benefitting the customers as well as the growth of the company itself. In 2015-16, the total premium collected stood at Rs 2,007 crore.

Rural Assam has only 10% health coverage

A recent study showed that only 10.4% of the rural Assam has a health insurance. The national family health survey -4 stated that only one member of a house have a health cover. The last survey held in 2005-06 showed there was only 2.3% health insurance penetration in rural Assam and in urban Assam it was 12.6%

PNB MetLife Launches virtual reality customer service

PNB MetLife has recently unveiled converse, a virtual reality based customer care platform, it is expected to inform customers about the new launches and provide superior service quality. The platform will be available through VR headsets available at 15 PNB MetLife branches scattered across 10 cities. The offer will be extended to other centres later. The platform was launched by TS Vijayan, Chairman, IRDAI in presence of Nilesh Sathe, Member-Life and Tarun Chugh, MD and CEO of MetLife. Vijayan said, "while I do not know how technology will replace somebody, Technology will be a major enabler," basis of the fast adoption of technology by the customers. He also added, "As a regulator, my major concern is to ensure a customer gets best service." Tarun Chugh said, "Our ongoing investment in technology underscores our philosophy of supporting continuous innovation and customer centricity. This technology will revolutionise the concept of customer service."

Canara HSBC Oriental Bank of Commerce Life Insurance Pulls on Growth

Private Life Insurance Company Canara HSBC Oriental bank of commerce life insurance is now mulling on the tier II and tier III cities for their growth. It has decided to focus on life insurance penetration for this year. It is the only company in India which, sells insurance through banks. While the company is aiming for a 30% increase in its sales in FY 2017-18, in Uttar Pradesh the aim is to increase by 50% as there is enough untapped potential in the market. The state of Uttar Pradesh is one of the key markets for the company and it has plans to expand its

customer base across the markets. Tarannum Hasib, Director-sales, Canara HSBC Oriental Bank of Commerce Life Insurance Company said, "The insurance market is expected to grow 15%-20% in the next 3 years. The growth would essentially come from the tier II and tier III towns (apart from the tier I cities) as PMJJBY scheme has helped increasing the awareness towards the need to plan the financial security to their family and provide for the unforeseen."

Future Generali Partners with Vastu Housing to Offer Group Credit

Future Generali India Life Insurance has recently collaborated with Vastu housing financial corporation to grow in credit Life Business. The company has entered into an agreement to offer group credit life insurance through one of its products-Future Generali Suraksha Plan. This is a single premium term insurance plan which is specifically designed for financial institutions to provide life coverage to their new and existing borrowers. Speaking on this partnership, Munish Sharda, MD & CEO, Future Generali India Life Insurance said, "Our objective is to offer simple and value added products to our customers and partners. Credit life insurance is a growing business and it has proved to be a beneficial not only for the financial institutions but also for an important product for the customer as it is hassle-free. We are pleased to associate with Vastu Housing finance and offer our services through the Loan Suraksha plan."

NAB Launches Group Life Insurance Policy for Visually Impaired

On Louis Braille Day, the local unit of the National Association of Blind (NAB) in Thiruvananthapuram has declared a group life insurance policy for 700 visually impaired students. It was announced at a function held in observance of the 208th centenary of Louis Braille. The insurance policy was facilitated by the Amway Opportunity foundation, the corporate social responsibility of Amway India. NAB celebrated the occasion by organising a Braille reading and writing contests for 81 visually impaired students at the organisation.

Conclusions

The following are the summary and conclusions of the present paper

1. Several changes have taken place since opening up to private players in 1999. Earlier insurance

was perceived mainly as a tax saving device but after liberalisation and privatisation, the life insurance awareness among the people have been significantly increased. Private players with their aggressive marketing strategy, advanced technology, foreign expertise and better customer services make this industry attractive for every social segment. LIC was the only company in Indian life insurance business till 1999 and today facing tough competition with the existing and new private insurer which has resulted downfall in the market share of LIC. LIC is an old brand and majority people continue to buy policy from it because of security and trust on the brand. Whereas, the situation is quite different in case of private life insurance service providers where even aware and educated people hesitate to invest because of having less faith due to evidence of many insurance frauds and misleading information given at the time of policy selling. India is a land of large population and even today a major portion of country's population is without any risk coverage. Therefore, the present economic situation calls for a collaborative approach where both LIC and private players can come together and increase market penetration and efficiency through innovative products, quality customer services and ethical conduct.

2. The presence of a large number of relatively small firms with smaller market shares provides indications of a 'monopolistic competition' type of market structure prevalent in the country's life insurance segment over the given period, from a 'monopoly market -condition' during the pre-deregulation period. Considering the potentials in the country's life insurance segment, there is a scope for raising competition in the future. Though the private life insurance companies lagged behind LIC by a huge margin in terms of market shares, yet the pursuer group was slowly making in-roads into the market. Among the pursuer groups, ICICI prolife and SBI life consistently featured as the best performers in the private-sector category over the study -period. The state-owned LIC had a dominating influence in the market concentrations indicators, primarily because of its long-standing presence and first-mover advantages in the Indian life insurance sector.
3. The country's life insurance penetration stood at 3.1, below the global average of 3.5, at the end of FY 2013-14 that hinted at a hugely untapped customer-base and unexplored market-potential of our country. The private players would be in a better position than LIC to exploit the same on

account of their technological know-how and improved marketing strategies derived from their foreign partners. In contrast, LIC has been largely banking upon their conventional products that have been carried over from the past years with no fresh infusion of capital observed during the post-deregulations period. It now remains a moot-point as to how the state-owned giant LIC shows its resistance to a further fall in its market shares against rising competition from the private life insurers in the years ahead.

Suggestions

To strengthen the business development and highlight the problems and prospects of insurance business in India, among the private and public sector insurance companies, the following suggestions have been offered:

1. LIC has a strong presence in life Insurance market and to retain its market leader status the LIC needs to acquire more competitiveness in terms of product innovation, customer awareness, customer services and technology.
2. To achieve greater insurance penetration, healthier competition has to be intensified by both the sectors and they should come up with new innovative products and also make improvement in the quality of services.
3. People are aware of the private life insurers but still many hesitate to invest. Therefore it is important to create trust and confidence among the investors that private insurance is a safer option for investing through greater transparency in the system.
4. The main objective of Life Insurance Company is to provide insurance against life risks. Hence private insurers should encourage selling more number of long term investment policy rather than short term unit linked products.
5. Lengthy and complex procedures at the time of claim settlement process should be reduced and need to introduce an effective mechanism in evaluating the requirements and designing products according to the changes in the market.
6. Private insurers require to shift their focus from urban to rural areas where majority population are poor and uninsured due to lack of awareness and inability to pay high premium rates.
7. Effective policy and action should be taken against parties involved in insurance fraud to safeguard the interest of the policyholders.

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Changing Consumer Perceptions towards Organized Retailing in Hyderabad City: An Empirical Analysis

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Abstract

Retailing is one of the largest sectors in the global economy & is going through an evolutionary change in India. Retail is currently a flourishing sector of the Indian economy. The Indian Retail Industry is the largest among all the Industries accounting for over 10 percent of the country's GDP as well as provides around 8 percent employment. It has emerged as one of the largest industry contributing to employment generation, revenue generation, increased turn over and many more. Organized retailing is showing signs of enormous creativity. It has emerged as one of the most dynamic and fast paced industries with several players entering the market. As a matter of fact retailing in India is gradually edge its way towards becoming the next boom industry. The basic objective of this study is to analyse the customer perception towards organized retailing & the factors which influence their purchases.

Keywords: Retail Sector; Organized Retailing; Customer Perceptions.

Introduction

The term "retailing" is referred to as any activity that involves a sale to an individual customer. Retail industry is of late often being hailed as one of the upcoming sectors in the economy. Retailing in India is the second largest untapped & potential market after China.

Professional & effective management and strong customer focus characterize organized retailing. India has one of the largest number of the retail outlets in the world. Out of the more than 12 million retail outlets present in the country, nearly 5 million sell food and other consumer related products. Though the market has been dominated by unorganized players, the entry of domestic & international organized players is set to change the scenario.

Organised Retail in India

Indian Retail industry is the largest industry in India, with an employment generating more than around 8% and contributing to over 10% of the country's GDP. Retail industry in India is expected to rise 25% yearly being driven by strong income growth, the changing life style and favourable demographic patterns. It is expected that by 2018 modern retail industry in India will be worth US\$ 200-300 billion.

Review of Literature

Richard (2011), studied the shopping habits of consumers to form an idea as to the store concepts, product ranges and strategies of the companies are appropriate towards consumer needs & requirements. Consumers are satisfied when the perceived service meets or exceeds their expectations. They are dissatisfied when they feel the service falls below their expectations. When retailers provide unexpected services, customers will be truly delighted. Thus, to delight customers, retailers need to understand the customer's expectations and take the necessary steps to meet the expected service Raut and Dash (2011), the consumer is no longer shopping from the local

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market; rather the place of shopping has shifted to the stores in malls. Malls are also towards catering to the younger population segments. The shopping behavior of the consumer varies according to their age. Moreover shopping behavior of younger consumers is focused towards seeking entertainment, while older consumers focus on comfort, convenience and leisure. India is currently in the second phase of evolution, that is, consumer demand organized formats (Jhamb and Kiran, 2012).

According to Kotler, Keller, Koshy and Jha (2012) “Customer Shopping Behaviour is the study of how individuals, groups and organizations select, buy, use and dispose of goods, service, idea, or experiences to satisfy their needs and wants”.

Objectives of the Study

1. To understand the customer perceptions towards organized retailing.
2. To understand the factors influencing the customers to purchase from organized retail stores.

Research Design

The Research design is descriptive in nature because the study aims to find out the customer perception towards the organized retail stores.

Data Collection

The data collection sources are:

Primary data: The data is collected by the help of questionnaire.

Secondary data: The data is collected by the help of internet, books, articles & journals.

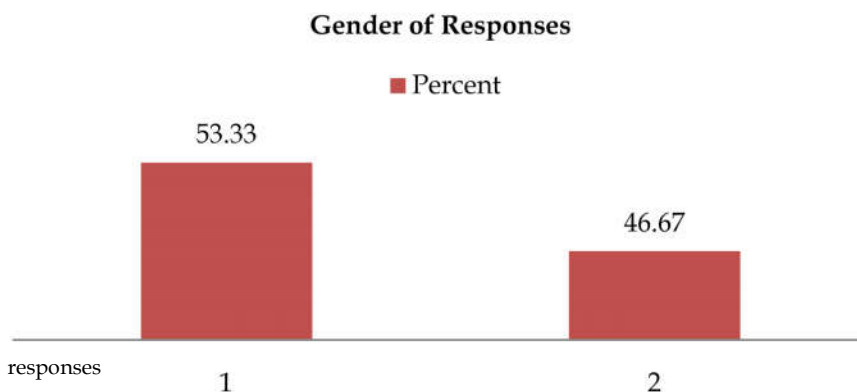
Research instrument: The questionnaire is used as one of the research instrument.

Selection of Sample: A sample of 30 respondents was randomly selected for analysis of the study. Simple percentages are used to analyse data among different attributes influencing the customer perception towards organized retailing.

Analysis of Data

Table 1: Gender of responses

Value Label	Value	Frequency	Percent	Valid Percent
1	Female	16	53.33	53.33
2	Male	14	46.67	46.67
	Total	30	100	100



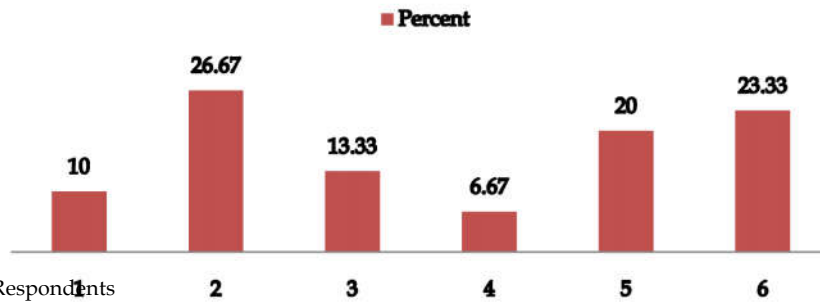
Graph 1: Gender of responses

The Table and Graph 1 represents the ratio of Females at 53.33% & Males at 46.67% constituting the sample of respondents.

Table 2: Income of Respondents

Value Label	Value	Frequency	Percent	Valid Percent
1	10000 – 20000	3	10.00	10.00
2	20001 – 30000	8	26.67	26.67
3	30001 - 40000	4	13.33	13.33
4	40001 – 50000	2	6.67	6.67
5	Above 50000	6	20.00	20.00
6	Less than 10000	7	23.33	23.33
	Total	30	100	100

Income of Respondents



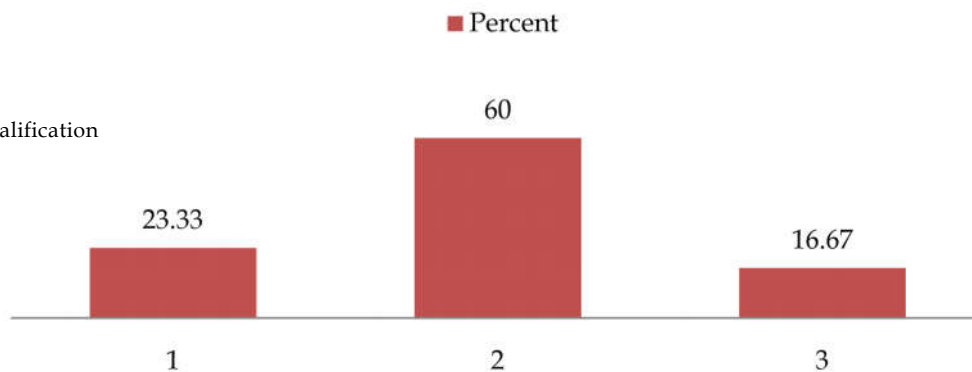
Graph 2: Income of Respondents

From the Table and Graph 2 it is observed that 26.67% of the sample respondents belong to the Income group of Rs.20000-30000 & 23.33% belong to less than Rs 10000/-.

Table 3: Qualification

Value Label	Value	Frequency	Percent	Valid Percent
1	Graduate	7	23.33	23.33
2	Post graduate	18	60.00	60.00
3	Professional Qualification	5	16.67	16.67
	Total	30	100	100

Qualification



Graph 3: Qualification

From the Table and Graph 3, it is observed that 60% of the sample respondents are qualified Post-graduates, 23.3% graduates & 16.67% are Professionals.

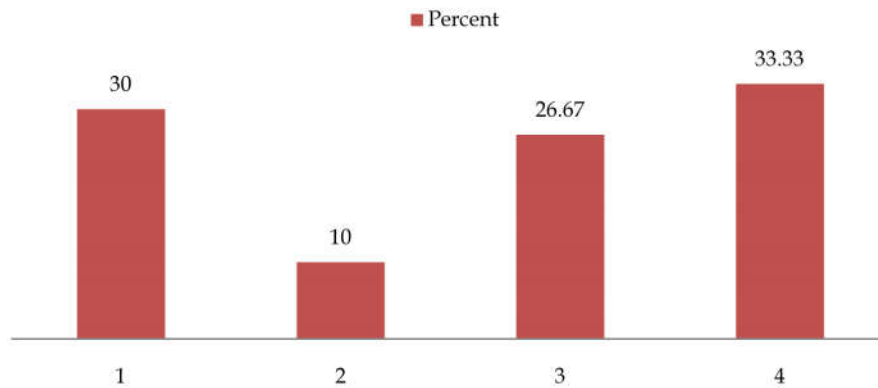
Attributes Influencing the Customer Perceptions towards Organized Retailing

Table 4: Wide range of items at one place

Value Label	Value	Frequency	Percent	Valid Percent
1	High	9	30.00	30.00
2	Low	3	10.00	10.00
3	Medium	8	26.67	26.67
4	Very High	10	33.33	33.33
	Total	30	100.0	100.0

It is observed from the Table and Graph 4, that the Customer perception regarding wide range of items at one place is very high with 33.33% of the respondents & low with 10% of respondents.

Wide range of items at one place



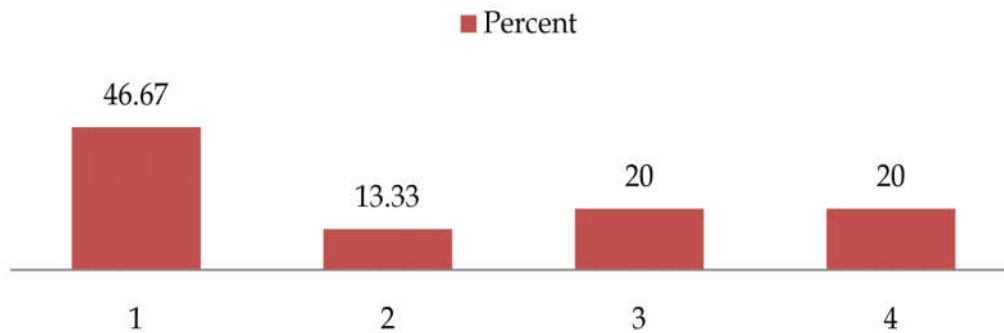
Graph 4: Wide range of items at one place

Table 5: Fresh stock of items

Value Label	Value	Frequency	Percent	Valid Percent
1	High	14	46.67	46.67
2	Low	4	13.33	13.33
3	Medium	6	20.00	20.00
4	Very High	6	20.00	20.00
	Total	30	100	100

From Table and Graph 5, it is observed that the Customer Perception with regard to Fresh stock of items is high with 46.67% of respondents & low with 13.33% of respondents.

Fresh stock of items



Graph 5: Fresh stock of items

Table 6: Availability of sizes

Value Label	Value	Frequency	Percent	Valid Percent
1	High	13	43.33	43.33
2	Low	3	10.00	10.00
3	Medium	5	16.67	16.67
4	Very High	9	30.00	30.00
	Total	30	100.00	100.00

From Table and Graph 6, it is observed that the Customer Perception with regard to Availability of sizes is high with 43.33% of respondents & low with 10% of respondents.

Graph 6: Availability of sizes

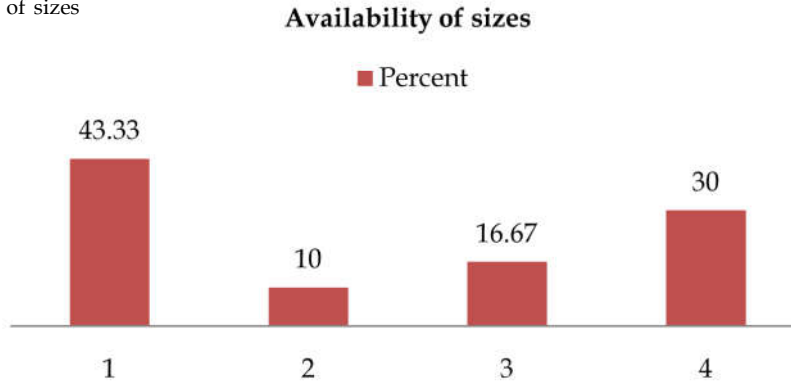


Table 7: Quality services

Value Label	Value	Frequency	Percent	Valid Percent
1	High	14	46.67	46.67
2	Low	4	13.33	13.33
3	Medium	7	23.33	23.33
4	Very High	5	16.67	16.67
	Total	30	100.0	100.0

From Table and Graph 7, it is observed that the Customer Perception with regard to Quality Services is high with 46.67% of respondents & low with 13.33% of respondents.

Graph 7: Quality services

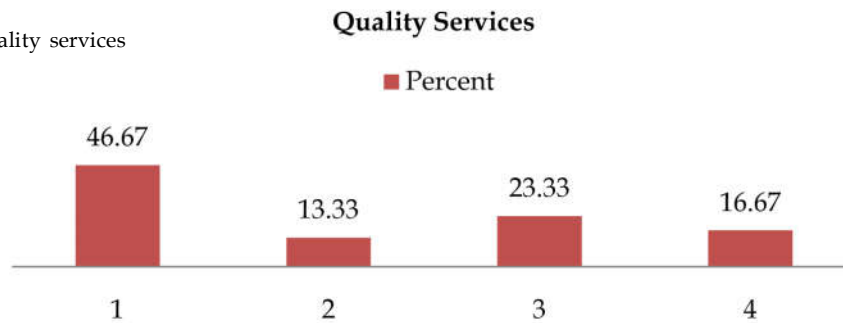
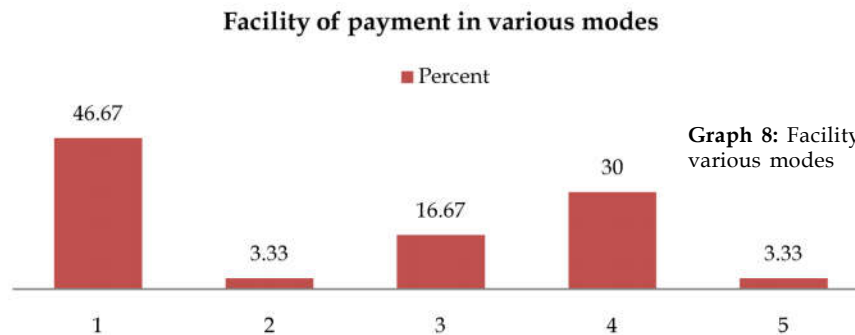


Table 8: Facility of payment in various modes

Value Label	Value	Frequency	Percent	Valid Percent
1	High	14	46.67	46.67
2	Low	1	3.33	3.33
3	Medium	5	16.67	16.67
4	Very High	9	30.00	30.00
5	Very Low	1	3.33	3.33
	Total	30	100	100

From Table and Graph 8, it is observed that the Customer Perception with regard to Facility of payment in various modes is high with 46.67% of respondents & low with 3.33% of respondents.



Graph 8: Facility of payment in various modes

Table 9: Location of stores

Value Label	Value	Frequency	Percent	Valid Percent
1	High	3	10.00	10.00
2	Low	8	26.67	26.67
3	Medium	10	33.33	33.33
4	Very High	5	16.67	16.67
5	Very Low	4	13.33	13.33
	Total	30	100.00	100.00

From Table and Graph 9, it is observed that the Customer Perception with regard to Location of stores is medium with 33.33% of respondents & very low with 13.33% of respondents.

Graph 9: Location of stores



Table 10: Promotional schemes and offers

Value Label	Value	Frequency	Percent	Valid Percent
1	High	14	46.67	46.67
2	Low	3	10.00	10.00
3	Medium	6	20.00	20.00
4	Very High	6	20.00	20.00
5	Very Low	1	3.33	3.33
	Total	30	100.00	100.00

From Table and Graph 10, it is observed that the Customer Perception with regard to Promotional schemes & Offers is high with 46.67% of respondents & very low with 3.33% of respondents.

Graph 10: Promotional schemes and offers

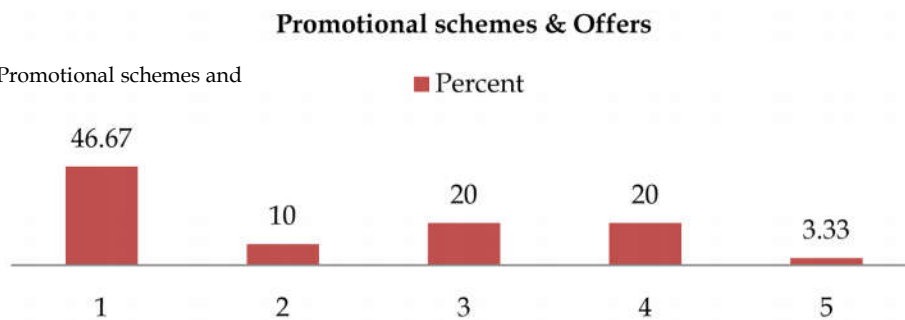
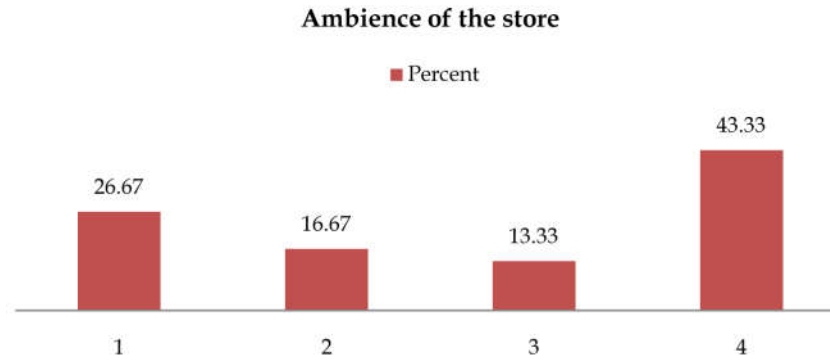


Table 11: Ambience of the store

Value Label	Value	Frequency	Percent	Valid Percent
1	High	8	26.67	26.67
2	Low	5	16.67	16.67
3	Medium	4	13.33	13.33
4	Very High	13	43.33	43.33
	Total	30	100.00	100.00

From Table and Graph 11 it is observed that the Customer Perception with regard to Ambience of the store is Very high with 43.33% of respondents & low with 16.67% of respondents.



Graph 11: Ambience of the store

Findings

1. The major number of the sample respondents are females constituting of 53.33% & males consisting of 46.67%.
2. The Income levels are observed that 26.67% of the sample respondents belong to the Income group of Rs.20000-30000 & 23.33% belong to less than Rs 10000/-.
3. It is observed that 60% of the sample respondents are qualified Post- graduates, 23.3% are graduates & 16.67% are Professionals.
4. The Customer perception regarding Wide range of items at one place in organized retailing is very high with 33.33% of the respondents & low with 10% of respondents.
5. With regard to Fresh stock of items is high with 46.67% of respondents & low with 13.33% of respondents.
6. With regard to Availability of sizes is high with 43.33% of respondents & low with 10% of respondents.
7. That the Customer Perception with regard to Quality Services is high with 46.67% of respondents & low with 13.33% of respondents.
8. With regard to Facility of payment in various modes is high with 46.67% of respondents & low with 3.33% of respondents.
9. That the Customer Perception with regard to Location of stores is medium with 33.33% of respondents & very low with 13.33% of respondents & with regard to Promotional schemes & Offers is high with 46.67% of respondents & very low with 3.33% of respondents.

Lastly with regard to Ambience of the store is Very high with 43.33% of respondents & low with 16.67% of respondents.

Suggestions

- The study of customer perception towards organized retailing is very significant to understand the customer requirements & tastes & preferences.
- The organized retailers need to provide more wide range of products.
- More & different promotional efforts to be made on specific occasions so as to attract the consumers & have a long relationship.
- More organized retail stores to be established in nearby areas to make it accessible to the customers.
- The organized retailers to cover all categories of people belonging to gender, income group etc.
- The attributes like Ambience of the store, Facility of payment in various modes, Fresh stock of Items & Promotional Schemes of the retail stores play a significant role in the changing Consumer Perceptions towards organized retailing.

Conclusions

The Organized retailing needs to take several steps as well as improve their methods of catering to the needs, tastes & preferences of the customers so as to meet the competition from the unorganised sector as well as the foreign retailers thereby meeting ultimately the Customer perception & total customer satisfaction. These findings may not have universal application in view of the limitation of the study in scope & sample characteristics therefore further research is inevitable. Though some of the findings are familiar with the findings of the earlier research it may be suggested that with the increased competition the retailers need to find a realistic approach to survive in the emerging economy. Therefore the retailers should comprehend the changing Consumer

perceptions & behaviours & understand how the retail stores should evolve in the rapidly fast growing Indian economy.

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Knowledge Management for a Small Organization

K. Surya Narayana¹, K. Niranjana²

Abstract

Every organization kicks off with less number of people, with task uncertainty and with trials to establish its products and processes in the market. Processes which are yet to be standardized leads most of the employees to remain in learning phase. Knowledge tends to be tacit rather than procedural. Since solutions are not readily available for the problems in the inception stage of the small organizations, an extra effort is required to come up with the appropriate solutions. When it comes to the aspect of problems and solving them, tacit knowledge plays a vital role. The absence of tacit knowledge leads to high employee attrition rate. Thus knowledge management in the small organization is of the utmost importance without which the transition of the organization into next phases i.e., knowledge applying stages will be difficult. It is the responsibility of the entrepreneur and the manager to administer the knowledge in the small organization. They also need to identify the need for the knowledge management system which lies beyond possessing computers or automation; like the decisions arrived at after brain storming.

Keywords: Knowledge Management System; Tacit; Procedural; Employee Attrition; Brain Storming.

Introduction

Nature of knowledge in an organization

Knowledge Management (KM) focuses on organizing and making available important knowledge, wherever and whenever it is needed. It builds intellectual capital, increases competition, accelerates change, enhances responsiveness and escalates employee turnover rates which are some of the driving factors for the effective knowledge. These kind of situations make it difficult for the inexperienced entrepreneurs and budding managers to make quality decisions. KM stands vital for organizations which face downsizing or where employee attrition rate is high.

Knowledge Management Systems (KMS) comprises of latest technologies i.e., IT, Social or Structural mechanisms. It can be categorized into the below mentioned 4 parts out of which Knowledge Capture Systems are important.

There are four parts of KMS which are

1. Knowledge Discovery Systems
2. Knowledge Capture Systems
3. Knowledge Sharing Systems
4. Knowledge Application Systems

For a small organization, the Knowledge Capture Systems and the Knowledge Sharing Systems are salient. Depending upon the strategies for innovation in a small organization, the Knowledge Discovery Systems may be required. Experience Management is another significant component in KMS.

Review of Literature

“Effective KM is not about making a choice between software vs. wetware, classroom vs. hands-on, formal vs. informal, technical vs. social...uses all the options available to motivated employees to put knowledge

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to work ...[and] depends on recognizing that all of these options basically need each other" [Stewart, 2002]. Also user involvement is highly important in KMS in a small organization. It should be user driven but not top management driven.

Effective knowledge management can be due to the contribution of people upto 80% whereas the contribution of technology is only 20%.

1. Knowledge is first created in the people's minds. KM practices must first identify ways to encourage and stimulate the ability of employees to develop new knowledge.
2. KM methodologies and technologies must enable effective ways to elicit, represent, organize, re-use, and renew this knowledge.
3. KM should not distance itself from the knowledge owners, but instead celebrate and recognize their position as experts in the organization. [Becerra-Fernandez, et al.,2004]

Objectives of the Study

1. To understand Knowledge, Knowledge Management and the Knowledge Management System.
2. To study the impacts of KMS practiced in the small organizations.
3. To identify the suitable KM processes for small organizations.

Research Methodology

The sources for data collected in studying the KMS in small organizations are:

Primary: Data on processes and products were collected from small organizations in and around Hyderabad orally.

Secondary: The study is also based on the secondary data i.e., from published and unpublished sources like books, magazines, websites, journals, articles, etc.

This paper is a collaborative understanding of data collected from the primary and the secondary sources.

Impact of KM on Organisation

KM impacts organization i.e., it's processes, it's people, it's products and it's overall performance. It results in retaining employees with good expertise, enhancing customer satisfaction with company's products or services. KM facilitates employee

learning. Employees job satisfaction increases through flexible practices of KM.

Employee learning can be impacted by externalisation, internalization, socialization and communities of practice. Employees when interact are likely to adopt more, accept change and respond to change readily. Employees turnover rates decrease when they share knowledge. Unlike traditional practises, KM provides better solutions to problems faced by the employees.

KM enables improvements in processes which are clearly visible like improved efficiency, effectiveness and degrees of innovation in the process.

Impact on Process Effectiveness

- KM can enable organizations to become more effective by helping them to select and perform the most appropriate processes.
- KM enables organizations to quickly adapt their processes according to the current circumstances, thereby maintaining process effectiveness in changing times.

Impact on Process Efficiency

- Managing knowledge effectively can also enable organizations to be more productive and efficient.

Impact on Process Innovation

Organizations can increasingly rely on knowledge shared across individuals to produce innovative solutions to problems as well as to develop more innovative organizational processes.

Process effectiveness leads to fewer mistakes, rapid adaptation to changes in circumstances. Process efficiency can be viewed as improved productivity and cost savings. Process innovation can be viewed as improved brainstorming and better exploitation of new ideas.

KM results in value added products and knowledge based products i.e., customer specific products.

Overall, for an organization KM increases revenue or profit through process innovation. It can become an intellectual leader which in turn increases customer loyalty. It will be in an advantageous position among competitors. For even producing economies of scale or economies of scope, the organization should have good KMS.

Factors Influencing KM

Factors influencing KM are environmental characteristics, organizational characteristics, task characteristics, knowledge management characteristics, knowledge characteristics. knowledge processes that are suitable for an organization.

They are dependent on the nature of the tasks performed in the organization. When the task difficulty and the task uncertainty are more in an organization then the knowledge application is not

simple. It depends on direction. The tasks are not formally structured.

When task uncertainty is high, knowledge remains tacit. Externalization and internalization are not alternatives. Direction or socialization are both good choices.

When task uncertainty is low, routines are performed in the organization. Externalisation, internalization, combination and exchange are better choices for an organization.

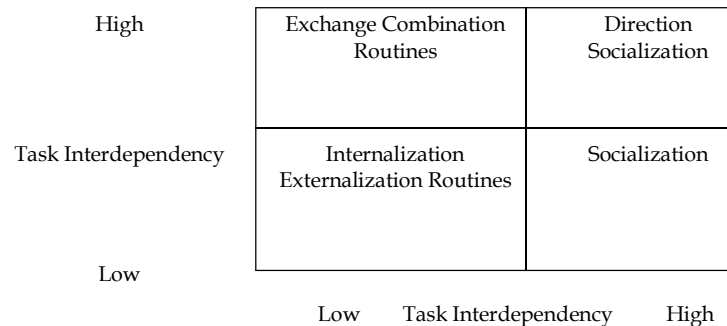


Fig. 1: Factors influencing KM

Table 1: Effects of knowledge characteristics on knowledge management

Km Processes/Type of Knowledge	Sharing	Capture	Discovery	Application
Tacit	Socialization	Externalization	Socialization	Direction
Explicit	Exchange	Internalization	Combination	Routines

When tasks are interdependent, performance mainly relies upon dynamic interaction in which the knowledge units are combined and transformed through communication and coordination. For independent tasks the performance relies on individual knowledge units like functional knowledge of a specific group, data base etc.

Findings

The study reveals that the following are the suitable KM processes for small organizations.

- Knowledge sharing by socialization
- Knowledge capturing by externalization and internalization
- Knowledge discovery by combination and socialization
- Knowledge application by direction.

Conclusions and Suggestions

When a small organization has task uncertainty and task interdependency it should go for the choice of direction and socialization process of KM. Top management should provide direction for the tasks i.e., perfect demand assessment or changed customers interest. Also the cross functional teams should be allowed to freely share their views about processes and tasks. Formal meetings and informal meetings are to be scheduled which will be a venue of free interaction. Brainstorming is to be encouraged and should take place frequently.

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HR Branding, A Tool for Attracting & Retaining Talent in Missile Manufacturing Industry in Telangana State

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Abstract

Employees are valued assets of any organizational set up. Now organizations are understanding that job hunter are perceiving and interested only in the better organization to work based on their employer branding [1]. In order to gain advantage in the competition from private sector for talent acquisition and retention, Public Sector enterprises have to create an enabling strategy to attract, select and retain talent with employees value proposition ie salary, compensation & benefits provided to the prospective and current employees for the skills, services rendered by them during the course of employment. Which is employer brand strategy. The paper defines the significance of employer brand/HR brand, and it also analyzed the awareness of the current, newly joined and prospective employees on various factors of HR branding which encompasses Recruitment process, Company image, Compensation & Benefits, HR culture and overall HR branding. The results of the study indicates very positive. Hence the study is educative and interesting to build HR brand to establish a good image of employer brand to attract and retain talent in the competitive market.

Key words: Human Resource Branding (HRB); Employee Value Propositions (EVP); Public Sector Undertakings(PSUs); Training & Development (T&D); Compensation & Benefits (C&B).

Introduction

If an organization has been facing continuous talent scarcity, employer branding can help to get out of it. Employer branding is basically a process of creating organizational image and making organizational identity. Branding plays an important role for the both the existing employees (internal customers) and external/prospective employees. Employer Brand or HR brand acts as a catalyst for attracting, selecting and retaining the employees for the Company's performance sustainability. This also helps to select right people for the right job. Employer

brand develops the image of the organization and highlights what the company delivers to the employees, customers, public and shareholders. It also helps in recruiting talent saving time and budget and helps to overcome the shortage of talent [2]. HR branding thus requires communication of company's reputation and image, values, mission and vision which suits to the aspirations of prospective employees to both prospective and existing employees [3].

Need for the Study

HR branding gained momentum now days amongst academicians, professionals and researchers, which yields opportunities for academic and industry personnel comprehensively to work together for developing concept of better understanding and shaping HR brand and to act as employer of choice for the prospective and current employees by formulation of HR policies and practices. It is a strategic tool for talent acquisition and retention. Therefore, a need is felt to study the perceptions of prospective and current employees to understand that BDL is unique place for work with its brand image. Hence, the study is taken up.

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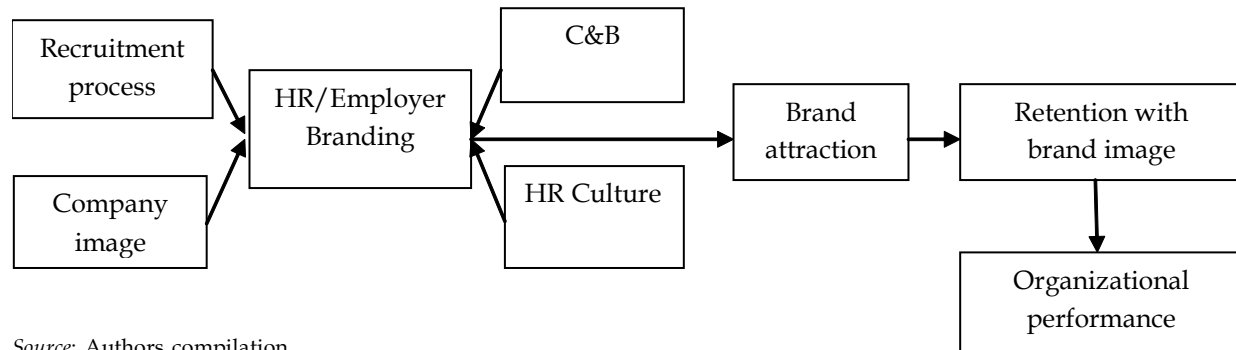
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Conceptual Frame Work

Employer/HR branding is a strategic tool of the firm's identity in Marketing for its products & services and HR to attract and retain the talent in business



Source: Authors compilation

environment. In the present study, factors establishing the HR/Employer branding are transparency in recruitment, Company image, C&B and HR culture to attract and retain the talent to improve the organizational performance.

Literature Review

Ambler & Barrow(1996) [4] described that HR branding encompasses functional, psychological and economical benefits provided as a part of employment relation by an organization for the skills, service delivery of potential employees.

Gerhat & Scot (2003) [5] from their study observed that policies of employer branding are combined with not only with highly stable and positive attitude work force in turn have an effect on organizational performance.

Levinson (2007) [6] in his study of high employee engagement stated that when the employees are happy in their working environment, there is a high possibility for stay and engaged in that organization and significantly yield to Organizational commitment.

According to Asia's Best Employer Brand Award -(2010) [7], Indian Oil Corporation Limited bagged best brand award for its innovatively managing of Electronic Performance Management System to become it as bench mark in PSUs to attract and retain best talent with them and its employee value propositions like healthy work climate, learning & development, Career Growth and work life balance practices.

According Taneja (2010) [8] in his study observed that NTPC is spending huge amounts for its employer brand for providing benefits to its employees in the form of townships, educational facilities to its present employee's children, free medical care, low interest loans and also hiring employee's spouses for productive work. Therefore, it has attracted 100000 applications for filling up of 500 positions.

Suman Kumar Dawn et al (2010) [9] in their study stated that employer brand is necessary for augmenting competitive advantage and Indian Corporate's are using it as strategic tool and capacity to attract and retain talent and also signify quality its to customers. It helps for structured recruitment and catch the right people in the right job as per the company's expectations.

Vijay Rathee, Ritur (2015) [15] in their study on Impact of employer branding on Employee's attitude found that the employer branding has effect on attitude as per the respondents perceptions in which compensation fair rewards, retirement benefits, social value like equal respect, facilities, T&D, equal opportunities, HR practices, employees compliments for proud to work in the select organizations plays a critical role. Out of this major thrust on monetary factors such as compensation & benefits, which is the dominant factor for attraction of potential employees and retention of internal employees.

Taneja (2010) [8] in his study at NTPC, which is a Maharatna status in nature found that the ratio of potential applicants per a vacancy position is 1:200 due to their employer brand on the welfare benefits extended. On analyzing the data in select PSU, the potential applicants for a vacancy is 379 candidates on an average in 6 years. Therefore it is concluded that the brand image/HR branding is more in the select organization even though it is conferred with miniratna status.

Profile of the Organization

The select organization is a Public Sector Under Ministry of Defence established in the year 1970 at Hyderabad under the. It has Miniratna status in its

rating in Defence PSUs. It is one amongst the few strategic industries in the world manufacturing strategic missiles. The original name of the organization is avoided due to sensitivity.

The Organization was incorporated with the prime objective of manufacturing guided missiles, pioneering with license production of SS11 B1, a first generation Anti-Tank-Guided Missile [17]. Today, it is producing second-plus generation missiles and allied equipment, in addition to long range strategic missiles. It has also taken up refurbishment and life extension of missiles held by Defence Services. To expand its customer base, has forayed into the fields of Under Water Weapons and Decoys [18].

Efforts are also on to penetrate into international market by participating in International Defence Exhibitions and through Joint Venture business partners [18]. With its Corporate Office located at Hyderabad, and having three manufacturing Units, one at Hyderabad and other at Medak District of Telangana State and one unit at Visakhapatnam, Andhra Pradesh to cater to the requirements of the Indian Navy is on the anvil [19].

It is also planned to set up new Units one at Ibrahimpatnam, Ranga Reddy district, T.S. and other one at Amravathi, Maharashtra [20]. Most of divisions of the industry have been accredited with ISO: 14001 – 2004 certification in appreciation of its Environmental Management System (EMS) practices.

Research Gap: Priyadarshini (2011) [10] from her research studies stated that literature on empirical research is scanty for better understanding amongst the professionals, industries, academicians and researchers even though the concept of Employer branding is gaining momentum and found that it is inadequate [11,12,13] (Cable & Turbon, 2001, Backhaus & Tikoo, 2004; & Davies, 2008).

Vijay Rathee, Ritur (2015) [15] in their stated that Employer branding/HR branding is a complex phenomena wherein various dimensions takes stock to improve the brand image of any institution/organization and needs to study differently. Therefore, after reviewing the literature, the studies on this topic have been found to sparse in PSUs and hence there is a gap for study in Defence PSU ie Missile Manufacturing Industry.

Hence a study has been taken up to find out the potential applicants for vacancies announced based on transparency in recruitment process, based on the image, Compensation & benefits to find out the overall HR Branding/Employer branding in the select

DPSU.

Objectives of the Study

- i. To understand the concept of HR Branding
- ii. To assess the employees perception on hr branding dimensions under study.
- ii. To study the relationship of various factors involved in hr branding.
- iv. To suggest any improvements in hr branding.

Research Methodology & Data Collection

Research methodology is the organized way to resolve the research problem. It provides an idea on various steps assumed by the researcher in a planned manner with an objective to establish various manners. According to the set objectives the questionnaire consisting of statements with Likert's scale ranging from 1 to 5 indicating 1 for highly dissatisfied and 5 for highly satisfied. All the questions in the instrument are planned in such a way, it elicit all the pertinent information needed for the study. The data obtained is tabulated and examined to formulate interpretations easier using MS-Excel and SPSS. Based on the objectives of the study, the questionnaire is prepared. The statistical tools used for analysis of data are Mean values, correlation and Factor Analysis.

HR branding Dimensions/Factors

According to Collins and Stevens [16] in their study inferred that the intention of potential candidates for applying to a job based upon two dimensions of the employer. It depends on Job characteristics and general attitudes towards the company. They were studied the branding on three dimensions viz., social status, economic values and developmental orientation in the company. They have studied one more dimension that is Corporate reputation which is signaling in the literature.

Now a days the other dimension which is signaling to attract the potential applicants for the jobs, process of recruitment also plays a vital role hence, the following pattern of dimensions have taken up to study and attributable to the HR branding, since there were no clear dimensions in deciding the HR branding.

Transparency in Recruitment Process

To have a transparency in recruitment process select organization has adopted online application

process and selection through Computer based online test using technology. Some of the benefits are 40% reduction in cycle time of recruitment process, error free scrutiny, Uploading the information related to Advertisement, Written Test, Practical Test, Interview, Shortlisted Candidates, on the company website, Immediate declaration of results and readily available MIS in softcopy form and absolute transparency in the selection process. Therefore, on perusal of the applicants there is tremendous increase in attraction of potential candidates as per the study of secondary data.

Company Image: Now a day's companies are publishing their employee value propositions in their company's websites about their products, policy manuals, financial status, services, CSR activities, customers to the company and their satisfaction. These are few dimensional criteria to enrich the company image in the minds of potential job seekers. Job seekers are assessing all the above parameters before applying for the job and examining the reputation of the company in the public domain. High reputation of company will have an positive impact on employee efficiency.

Compensation & Benefits (C&B): Based on the pay structure and benefits extended to the employees in terms of monetary and non monetary to the employees is also very key parameters in addition to career progression in the Company. It includes pay scale, perks and allowances, promotional opportunities, superannuation benefits and other fringe benefits. The C&B has play a dominant role for commitment of the employees in achieving the production and profitability to the organization and for retention.

HR Culture: Organization culture plays a vital role in deciding the HR branding. The relationship between superiors and subordinates to motivate the employees for achieving the results, top management support, safety and congenial work environment and harmonious relationship between the Management and Unions, Learning and Development orientation, proper communication channels and autonomy in decision making in the organization put together decides the culture of the organization.

The work culture in the organization will have an impact on the employees, which leads satisfaction of the employees for commitment and retention. If the employees dissatisfied with the culture or any other dimension mentioned above may lead to attrition. The above explained dimensions are also attributable to decide the HR/employer branding. Hence, following hypothesis was designed after review of the existing literature.

Hypothesis Design

H₀₁: There is no significant effect of transparency in recruitment process on HR branding

H₀₂: There is no significant impact of company image on HR branding

H₀₃: There is no definite impact of Compensation & benefits on HR Branding.

H₀₄: There is no impact of work/HR culture on HR branding

Reliability: Reliability Statistics of Chronbach's alpha is calculated for inter item consistency. It is 0.800 for 28 items grouped into 4 categories. The range

Data Interpretation & Analysis

Table 1: Correlations

		Rectt	Image	C& B	HR culture	Overall HRB
Rectt.	Pearson Correlation	1	.186	.118	.194	.320**
	Sig. (2-tailed)		.110	.314	.095	.005
	N	75	75	75	75	75
Image	Pearson Correlation	.186	1	.433**	.660**	.950**
	Sig. (2-tailed)	.110		.000	.000	.000
	N	75	75	75	75	75
C& B	Pearson Correlation	.118	.433**	1	.470**	.560**
	Sig. (2-tailed)	.314	.000		.000	.000
	N	75	75	75	75	75
HR culture	Pearson Correlation	.194	.660**	.470**	1	.739**
	Sig. (2-tailed)	.095	.000	.000		.000
	N	75	75	75	75	75
Overall HRB	Pearson Correlation	.320**	.950**	.560**	.739**	1
	Sig. (2-tailed)	.005	.000	.000	.000	
	N	75	75	75	75	75

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

between 0.05 to 1.0 indicates higher inter item consistency.

In order to understand the strength of relationship between variables, correlation analysis was performed. Correlation provides a “unit less” measure of association between two variables, ranging from -1 (showing perfect negative relation) to (no relation) to +1 (perfect positive relation). Both variable are treated neither predictor or an outcome. The most commonly used version the Pearson coefficient of correlation ‘r’ was employed.

Results Indicate that

There is a significant relationship between overall Recruitment Process and Overall HR Branding , $r=0.320$, $p<0.001$, that means there is a little association.

There is a significant relationship between Company Image and Overall HR Branding , $r=0.950$, $p<0.001$. The results indicate that company’s Image plays vital role in the HR branding.

There is a significant positive relationship exist C&B on HR Branding with, $r= 0.560$, $p<0.001$ which indicates that positive relation exists.

There is a significant relationship exist between HR culture and overall HRB with $r= 0.739$ $p<0.001$.

Hence there are strong positive associations exists for C&B, Company Image and HR Culture with HR Branding of the Company with a average positive association of transparency in recruitment process of the company.

From the above data, the results of the hypothesis are significant at 99% level of significance. Hence all the null hypothesis are rejected and alternate hypothesis are accepted which given as under:

Hypothesis 1: From the correlations results, the recruitment process is found to be little significant at 99% level. Hence, transparency in recruitment process may not be strong influence on HR branding.

Hypothesis 2: From the results it is noticed that company image is strong and significant influence at 99% of significance level. Hence, it plays strong influence on HR branding.

Hypothesis 3: As per the observations of the results, there is definite impact of Compensation & benefits on HR Branding and significant at 99% level of significance. Hence, it is concluded that this dimension is also a strong influence on HR branding.

Hypothesis 4: It is observed from the results of correlation of HR culture , it is inferred that there is little impact of work/HR culture on HR branding and significant at 99% level of significance with little positive association. However, it is also an influence on HR branding.

From the table 2 it is inferred that overall Perception of HR branding in the Missile industry is at fair level with a mean value of 3.79 which is equivalent to 69.75%. On observation of the results, Compensation & Benefits and Company Image have a definite impact on attraction and retention of talent in the Company with mean values of 3.89 (72.25%) and 3.82 (70.50%) respectively. The respondents perceived that Recruitment process (3.4 Mean, 60%) is at average

Table 2: Analysis of data based on mean value of different dimensions of HR branding based on T-Test

	N	One-Sample Statistics		
		Mean	Std. Deviation	Std. Error Mean
Recctt	75	3.40	.544	.063
Image	75	3.82	.419	.048
C& B	75	3.89	.50	.058
HR culture	75	3.35	1.06	.12
HRB	75	3.79	.39	.045

Source: Primary data, 1= highly dissatisfied,2=dissatisfied, 3= neutral, 4= satisfied, 5= highly satisfied.

Table 3: Analysis of HR branding on different dimension based on One-Sample Test

	t	DF	Sig. (2-tailed)	Test Value = 0		
				Mean Difference	95% Confidence Interval of the Difference Lower	Upper
Recctt	54.301	74	.000	3.40	3.29	3.53
Image	78.848	74	.000	3.82	3.72	3.91
C&B	67.471	74	.000	3.90	3.78	4.01
HR culture	27.369	74	.000	3.35	3.10	3.59
HRB	84.859	74	.000	3.79	3.71	3.88

level and HR Culture (3.35 Mean, 56.25%) is also just average level and needs further improvement.

Table 3 gives the values of t-test, the t value indicates the observed t statistic for each dimension, which is obtained as the ratio of mean difference and standard of standard error of the mean at 74 degrees of freedom. The t values shown in the table 4 is the probability to obtain values \geq observed t statistics. Accordingly, the t- values are greater for Image followed by C&B, recruitment and HR culture.

Conclusions

From the above analysis indicates that Perception of employees on HRB is mainly dependent on Company Image, Compensation & Benefits, these two dimensions are having significant role in the HR Branding. The transparency in recruitment process and HR Culture not having much significant effect on HR branding. Hence, the objectives set for the study are met along with rejection of null hypothesis and acceptance of alternate hypothesis. The HRB as whole is at fair level.

Recommendations

It is recommended further to improve more transparency in recruitment process to have robust system for better satisfaction levels of employees and needs for improvement in HR culture/work culture to have an impact on HR branding in turn leads to further attraction and retention of talent which in turn improves productivity of industry.

Limitations of the Study

The survey is focused to the discrimination and bias, hence 100% accuracy can't be secured. The survey was conducted in short span and data collection on random sampling method. Hence research study could not be universalized.

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Job Evaluation Practices: A Comparative Study of Selectpublic and Private Sector Organisation

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Abstract

One can determine the worth of one job relative to another and this eventually results in wage or a salary structure or hierarchy. The basic principle of job evaluation is this: Jobs that require greater qualifications, more responsibilities and more complex job duties should be paid higher than other jobs. Job Evaluation is a judgemental process and demands close cooperation among supervisors, hr specialist and union representatives Practices helps in establishing pay rates and structures that are competitive. The main objective of this paper is to evaluate job practices of Canara bank, TDDCFL, HDFC & Mother Diary. The study focuses on the information regarding employee selection, placement, training & numerous other similar procedures and the standard procedures for determining the worth of each join in the organization

Keywords: Job evaluation; Wage differentials; Public sector; Private sector.

Introduction of the Study

Job Evaluation is a process of determining the relative worth of a job.

Aims at...

- Reduction in inequalities in salary structure
- Importance of Specialisation
- Selection in employees
- Harmony between employees and manager
- Standardisation
- Creating relevance for new jobs

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A Job evaluation is a systematic way of determining the value/ worth of a job in relation to other jobs in an organization. It tries to make a systematic comparison between jobs to assess their relative worth for the purpose of establishing a rational pay structure.

Job evaluation begins with job analysis and ends at that point where the worth of a job is ascertained for achieving pay equity between jobs.

Need of the Study

Job evaluation helps the management in evolving a rational and consistent wage policy and salary structure by providing criteria for fixation of salaries and wages.

The process of determining the wage differentials for different jobs becomes standardized through job evaluation. This provides uniform standards to be applied to all jobs in the organization. So, there is a need for understanding the process and consequences in framing of job evaluation method.

Objectives of the Study

1. To explore the information regarding, employee selection, placement, training and numerous other similar procedures.

2. To study the standard procedure for determining the relative worth of each job in the organisation.
3. To explore fair practices followed in advancement and transfer of all employees.
4. To study the factual basis for consideration of wage rates for similar jobs in the industry.
5. To explore standardization of wage differentials for various types of employees.

Scope of the Study

The scope of this study deals with the coverage area and the possible extents we want to reach while conducting the research. Owing to the research topic and title one could easily discern that since we are talking about the private and public companies our search light should beam on the totality of the companies in Hyderabad. But that is not the case. For the purpose of this study we have designed to use about Two (2) Private Organizations and Two (2) Public Organizations in GHMC (Greater Hyderabad Municipal Corporation) Area.

Limitations of the Study

- The study will be carried out to understand the views and opinions of the respondents about the job evaluation process in public and private sectors.
- There were constraints with combining company official works and the academic pursuits which were very cumbersome and tiresome.
- Respondents may fail to articulate their opinions, therefore, the in-articulation error may creep into the study, despite the care taken.

Review of Literature

According to the Bureau of Labor Statistics (USA), "Job evaluation is the evaluation or rating of jobs to determine their positions in the job hierarchy. The evaluation may be achieved through assignment of points or use of some other systematic method for essential job requirements such as skill, experience and responsibility".

"Job evaluation may be defined as an effort to determine the relative value of every job in a plant and to determine what the fair basic wage for such a job should be." -Kimbal and Kimbal

"Job evaluation may be defined simply as an attempt to determine and compare demands which

the normal performance of particular jobs makes a normal worker without taking into account of the individual abilities or performance of the workers concerned." -I.L.O.

"Job evaluation is the process of analysis and assessment of jobs to ascertain reliably their relative worth, using the assessment as the basis for a balanced wage structure."

-British Management Institute

"Job evaluation is a practice which seeks to provide a degree of objectivity in measuring the comparative value of jobs within an organization and among similar organizations. It is essentially a job rating process, not unlike the rating of employees."

-Dale Yoder

"Job evaluation is a systematic procedure for measuring the relative value and importance of occupation on the basis of their common factors (skill, training, effort) for the purpose of determining wage and salary differentials."

-A. Shubin

Job Evaluation Methods

There are four basic methods of job evaluation currently in use which are grouped into two categories:

1. *Non-quantitative Methods:*
 - a. Ranking or Job Comparison
 - b. Grading or Job Classification
2. *Quantitative Methods:*
 - a. Point Rating
 - b. Factor Comparison

Research Methodology

Primary Data: Primary data collected through structured questionnaire.

A questionnaire is designed using 5 point scale

- a. Strongly Agree
- b. Agree
- c. Can't Say
- d. Disagree
- e. Strongly Disagree

Secondary data - The secondary data collected from various sources of bulletins, journals, magazine, newspaper, previous research records and e-sources also.

Sampling Design

Sample Size

Total Sample size is from Respective respondents from twin cities of Telangana state, using convenient sampling method .

The organizations considered for study are

PUBLIC	PRIVATE
CANARA BANK	HDFC
TDDCFL	Mother Diary

Telangana Dairy Development Cooperative Federation Limited (TDDCFL)

Sample Size

80(20*4) respondents from both the private and public sectors (40 from each sector) administered the Questionnaire.

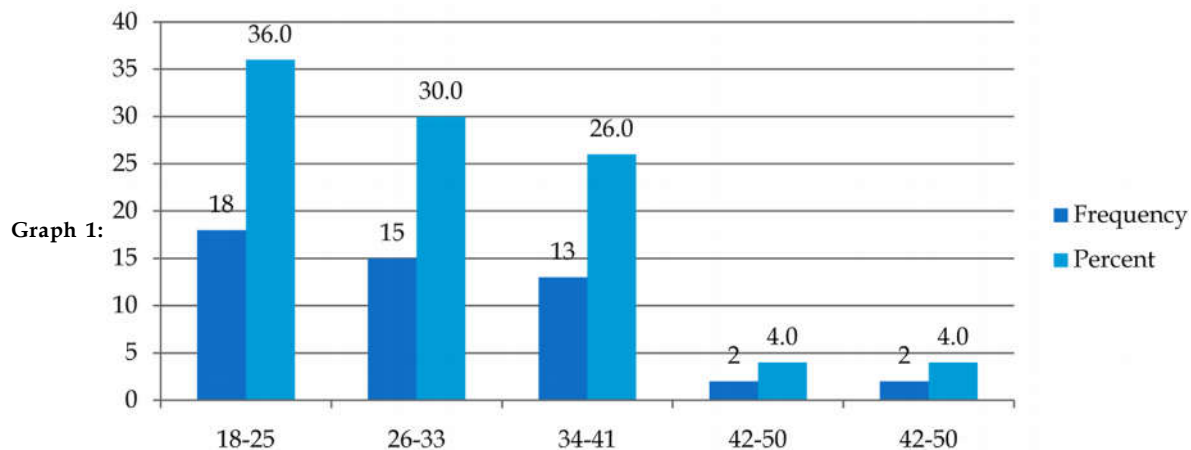
Reliability Test

The filled in questionnaire is tested for its Reliability by calculating the Cronbach’s alpha. The Cronbach’s Alpha is arrived at 0.800

Reliability Statistics	
Cronbach’s Alpha	N of Items
.800	25

Table 1: Profile of Respondents - Age

Age	Frequency	Percent	Valid Percent	Cumulative Percent
18-25	18	36.0	36.0	36.0
26-33	15	30.0	30.0	66.0
34-41	13	26.0	26.0	92.0
42-50	2	4.0	4.0	96.0
42-50	2	4.0	4.0	100.0
Total	50	100.0	100.0	



Results

From the Table and Grpah 1 it deals about the age groups of the respondents, Majority of the respondents are 18-25 years age group followed by 26-33 years age group of respondents (66%). However, companies should not neglect the remaining (34%) employees.

From the Table and Grpah 2 it deals about the gender of the respondents, Majority of the respondents are male.

From the Table and Graph 3 it deals about the education of the respondents, Majority of the respondents are post graduate (PG) group (54%) followed by graduation of respondents (22%). However, companies should not neglect the remaining (24%) employees.

From the Table and Graph 4 it deals about the experience of the respondents, Majority of the respondents are 0-5years experience respondents (54%) followed by 11-15years experience of respondents (22%). However, companies should not neglect the remaining (24%) employees.

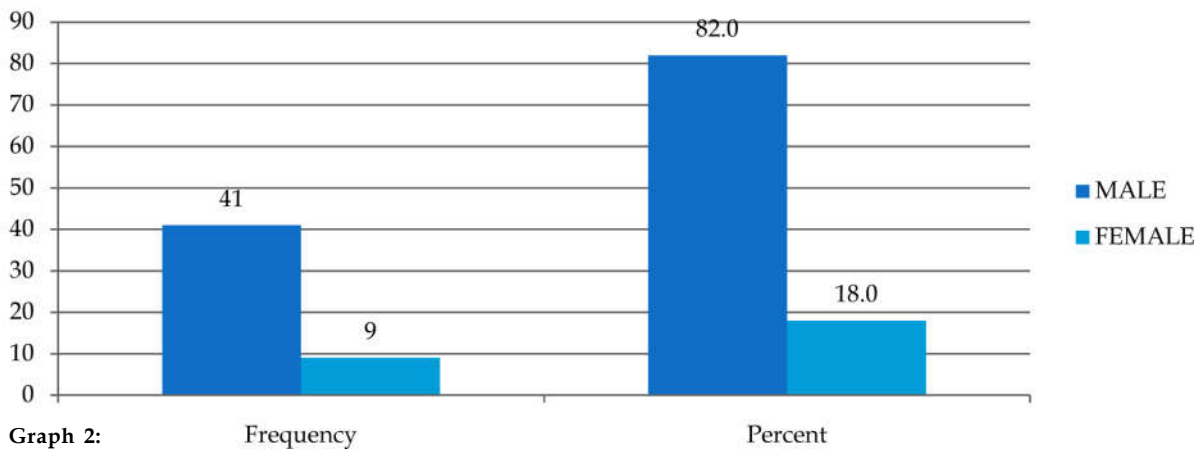
From the Table and Graph 5 it deals about the income groups of the respondents, Majority of the respondents are 26,000-40,000 income group respondents (30%) followed by 25,000 income group of respondents(24%). However, companies should not neglect the remaining (46%) employees.

Table 2: Profile of Respondents - Gender

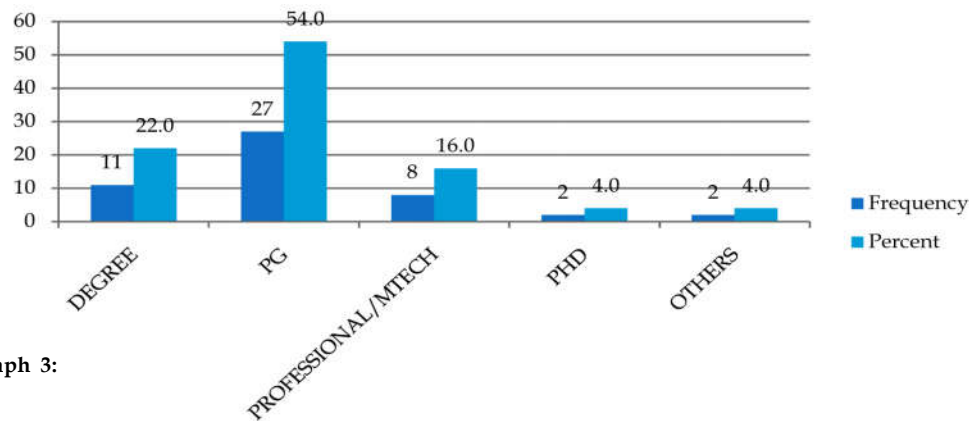
Gender	Frequency	Percent
Male	41	82.0
Female	9	18.0

Table 3: Profile of Respondents - Education

Education	Frequency	Percent
Degree	11	22.0
PG	27	54.0
Professional/Mtech	8	16.0
PHD	2	4.0
Others	2	4.0



Graph 2:



Graph 3:

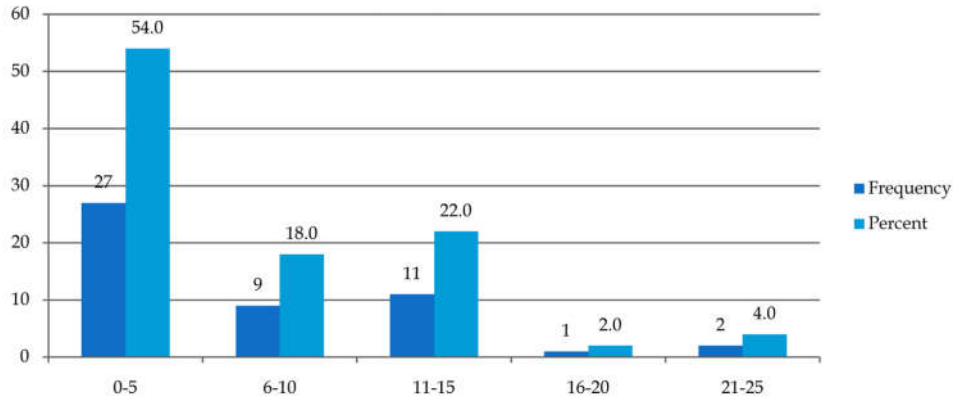
Table 4: Profile of Respondents -Experience

Experience	Frequency	Percent
0-5	27	54.0
6-10	9	18.0
11-15	11	22.0
16-20	1	2.0
21-25	2	4.0

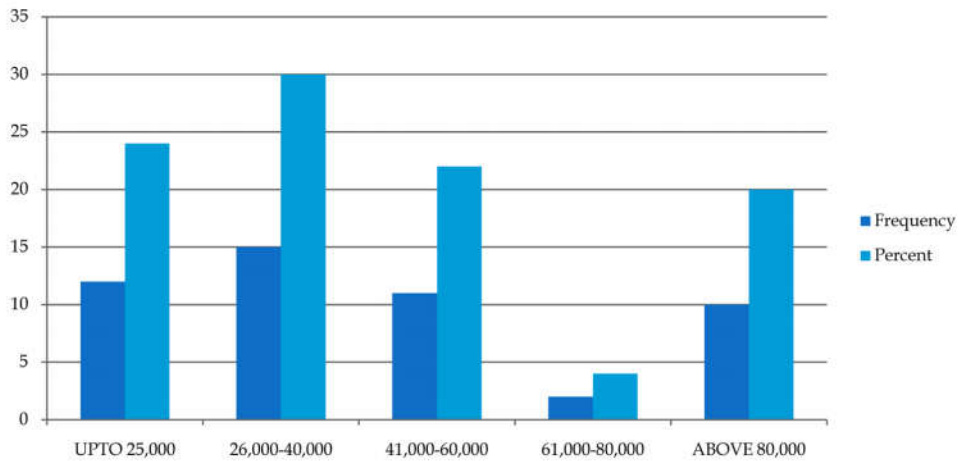
Table 5: Profile of Respondents - Income

Income	Frequency	Percent
UPTO 25,000	12	24.0
26,000-40,000	15	30.0
41,000-60,000	11	22.0
61,000-80,000	2	4.0
ABOVE 80,000	10	20.0

Graph 4:



Graph 5:



Findings

1. Majority of the respondents(66%) are young.so the companies should use them in to more productive & Service’s purpose.
2. Majority of the respondents are male
3. Majority of the respondents are post graduate (PG) group followed by graduation of respondents.
4. Majority of the respondents are 0-5years experience respondents(54%) followed by 11-15years experience of respondents(22%)
5. Majority of the respondents are 26,000-40,000 income group respondents (30%) followed by 25,000 income group of respondents(24%)

Suggestions

- Majority of the employees are young.so the companies should use them in to more productive & Service’s purpose. Majority of the respondents are male so company s try to use their services in three different shifts the customer can be served 24/7.

- Since majority of the employees are well educated so here suggested to use their services at optimum level .
- As most of the employees are well experienced so the companies should focus to satisfy the customer.
- The companies should increase the salaries of the employees so that they can achieve the objectives of the organisations.

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Talent Management Practices of Select Pharma Companies in Sikkim and their Implications

Geeta Shree Roy¹, V. Rama Devi²

Abstract

Right talent is the greatest asset for any organization. Attracting, developing and retaining talent is fundamental to a company in order to be ahead of its competitors. Effective talent management can contribute to building a high performance workplace and identifying as an 'employer of choice'. In this context, there has been much emphasis on talent management in the recent times.

The present study aims to understand talent management practices of pharmaceutical companies in Sikkim. The study also aims to examine the relationship between talent management practices, employee value proposition and employer branding and also to investigate the relationship between talent management and employee engagement. For the purpose of the study, 4 pharma companies in Sikkim are selected based on judgemental sampling. Data were collected on various talent management constructs dealing with Talent Attraction, Talent Development, Talent Retention, Employee Value Proposition, Employer Branding and Employee Engagement through questionnaire from 52 employees working in select pharma companies in Sikkim. The collected data is analysed using mean, correlation analysis through SPSS version 18.

Keywords: Talent Management; Employee Value Proposition; Employer Branding; Employee Engagement; Pharmaceutical Industry; Sikkim.

Introduction

Human capital is one of the critical issues, it seems easy yet complicated when it comes to handle them. Effective talent management can contribute to building a high performance workplace and identifying as an 'employer of choice'. In this context, there has been much emphasis on talent management in the recent times. Starting from companies to institutions almost every sector has become interested in talent management (TM) concept (Lewis & Heckman, 2006; Scullion, Collings, & Caligiuri, 2010). But it doesn't mean that companies are very successful in managing their internal talent. Study

conducted by Joyce & Slocum (2012) emphasize that firms are not being able to "capitalise on the opportunity for strategic success that a talented management team can bring". Literature related to talent management has witnessed endless arguments on whether it is about managing the talent of all employees (inclusive approach of TM) or whether it is about the key performers or high potentials only (exclusive approach of TM) (Iles, Chuai, & Preece, 2010; Iles, Preece, & Chuai, 2010).

In the current study, internal approach of TM is followed as we believe that every single person in the organisation has a unique capability to perform their job which is hard to imitate and tough to replace. Talent management is an integrated set of processes, programs, and cultural norms in an organization designed and implemented to attract, develop, deploy, and retain talent to achieve strategic objectives and meet future business needs (Silzer & Dowell, 2010).

After Information Technology, the industry which encounters the highest level of attrition is pharmaceutical industry. It's one of the largest costs

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in different types of organisations, yet it's also one of the most unknown costs and it's employee turnover (Blake, 2006). At present, Indian Pharmaceutical Industry ranks 3rd globally in terms of volume and 14th in terms of value. Sikkim is home for 21 pharmaceutical companies with significant investments. Within a period of less than a decade the giants of pharma industry such as Sun Pharma, Cipla, Lupin, Glenmark etc. have established their units in this state. Of course, the main attraction is from the benefits provided by North-East Industrial & Investment Promotion Policy (NEIIPP), 2007 [1]. In Sikkim, in addition to high attrition rate, the pharma companies are facing problems to attract the best talent. On the other hand, due to the lack of potential manpower supply these companies are compelled to attract human resources from outside the state. Simply attracting talent won't justify the sound TM praxis in the organisation, Ariss et al. (2014) explained that "a major challenge highlighted in the literature is the failure of organisations to manage talents of their employees effectively, despite of enough care taken to recruit that talent."

Literature Review

The research studies conducted in the area of talent management are reviewed which provide insights into different dimensions of talent management.

Talent Management

Gallardo (2011) tried to summarise the concept of talent in business and discussed the pros & cons of different approaches. It concluded by formulating an overall definition of talent which claim to delimit the concept of this term which avoided the problems uncovered by previous definitions and highlighted the vital variables (knowledge, abilities and competencies) that affect talent. Swailes et al. (2014) explored the possibilities & potentialities of TM as an inclusive approach. The definition of Fully Inclusive TM (FITM) was contextualised in four part typology of TM strategies: i) Positioning inclusive TM; ii) Positive psychology; iii) Capability Approach; iv) Sustainability.

Study concluded by suggesting that if inclusive TM need to be treated as a distinctive aspect for talent and a separate topic for research, then clear conception of the notion of talent is required. Dries et al. (2014) examined three 'tensions' - i) Inclusive vs Exclusive approach to TM; ii) Selection vs Development approach to TM; iii) Standardised vs

Subjective approach to talent identification, derived from literature review on TM. Findings also indicated that using exceptional performance as criteria for talent identification doesn't necessarily imply that only small portion of workforce is to be considered talented.

Heilmann (2010) conducted a study and the results depicted the need for developing new practices for attracting talent and there seems difficulty in transmitting tacit knowledge from retiring talent to new talent in the organisation. Very less efforts on employer branding & recruitment were observed. Garavan et al. (2011) explored the concept of talent development (TD), its scope & issues involved in formulating talent development strategies in organisations. Previous studies were reviewed for the study. Findings identified gap in literature and highlighted issues that can be encountered in talent development, by raising key questions on various dimensions such as defining talent for TD, focus on technical or generic competencies or both. Punia (2004) tried to identify the contemporary challenges of employees' retention & empowerment in ever changing business environment. Study concluded by emphasizing on phenomenon of empowerment which helps in retaining talent of the company. Kokeitso & Rust (2012) explored the perceived challenges to T.M in cape town municipality. Qualitative research method was adopted with semi-structured interview with 20 senior managers. Data collected was subjected to content analysis method. Failure to retain key talent, lack of employee recognition, succession planning & management problem were observed to be the challenges.

Talent Engagement

Piansoongnarn et al. (2011) investigated T.M strategies & employee engagement (EE) of Cement companies in Thailand. Data was collected through 350 structured questionnaire & in-depth interview with multi-level employees. Findings revealed 10 factors for retaining talent & 4 factors which can influence EE. Recruitment was emphasized as a most significant process in managing talent and employer branding had high impact on recruitment. Wahba (2015) evaluated critical success factors of talent management leading to employee engagement. The study measured the direct effects of Talent Management Practices (TMP) on General E.E in logistic companies in Egypt. With data collected from employees, factor analysis, correlation, multiple regression and ANOVA were used. Results depicted that TM can predict EE by 93% significantly,

furthermore EE can differ among job levels. Reaching senior levels have an intrinsic impact on one's self-esteem and EE also differs with different years of experience as newly joined employees may have more intensity to perceive current company more promising than the old employees.

Employer Branding

Bhatnagar & Srivastava (2008) investigated the process of developing effective employer branding (EB) intervention through a case study. For this purpose literature on employer branding & person-organisation fit were reviewed. For data collection employees having less than eight months of experience in a pharma company of India were interviewed. Findings depicted the need for strong HR & communication strategy for effective employer branding intervention.

Tanwar & Prasad (2016) developed a conceptual framework of antecedents & outcomes of EB based on review of literature. Study conducted qualitative pilot study of an IT firm in India, interviewed 25 employees from three locations of same company. It depicted positive relationship between outcomes of EB (job satisfaction & psychological contract) & employee retention. It also showed positive relationship between EB & organisational commitment which contributes towards development of brand advocacy.

Relationship between Employer Branding, Employee Value Proposition, Employee Engagement & Intention to Stay

Sengupta et al. (2015) tried to develop value proposition framework for internal & external employer branding from work value preferences of Indian workforce. For this purpose data were collected with the help of questionnaire from 302 employees across the sectors. Principal component analysis (PCA) with PROMAX rotation was computed using SPSS 21.0, two-way between-subject designs were also adopted in both two independent MANOVAs.

Findings revealed a six-factor value proposition model for internal employer branding - career potential values, justice values, employee engagement values, feel good values, comfort values, esteem values; and a five-factor value proposition model for external employer branding- image and fundamental values, job structure values, work culture values, reference values, and pride values. These values have also found to be correlated with age. Further research suggested to assess the fit

between employee work values & value proposition as currently offered by Indian employers.

Wallace et al. (2014) tried to identify the changing factors that attract talents & discussed the importance of aligning employer branding with employee branding. Various case studies of renowned organisations were undertaken on EB such as Southwest airlines, McDonalds, Australian Railway Association. Study concluded by stressing on the importance of employee and employer branding for its customer & other stakeholders, it also indicated the consequences for not delivering on companies' employer brand can lead to disengaged & resentful employees, higher turnover and ultimately reduced organisational performance.

Rathee & Sharma (2015) examined the perceived importance of various dimensions of EB by employees & its influence on their attitude towards organisation. For this purpose, 140 employees of three leading private banking organisations in India were chosen and data were collected with the help of questionnaire & personal interviews.

Findings depicted that social, economical, development & reputation factors influence employees' attitude towards company which influences satisfaction, retention & productivity. Study concluded that economic factor is the strongest influencer & corporate reputation as the least influencing factor perceived by the employees.

Objectives of the Study

1. To study talent management practices in select pharma companies in Sikkim
2. To examine the relationship between talent management practices encompassing talent attraction, talent development & talent retention, employee value proposition, employer branding and employee engagement.
3. To examine the relationship between employee engagement and intention to stay.

Hypotheses of the Study

1. There is no significant relationship between talent management practices, employee value proposition, employer branding and employee engagement.
2. There is no significant relationship between employee engagement and intention to stay

Methodology

The present study is descriptive in nature. There are 21 pharma companies in Sikkim ²(including five sister concerns). For the purpose of this study, 4 pharma companies in Sikkim are selected based on judgemental sampling. Data were collected on various talent constructs using primary sources. Primary data was collected using a structured questionnaire from 53 employees working in select pharma companies in Sikkim.

Convenience sampling method was used. Questionnaire is designed for the purpose of the study and it has two sections – Section 1 consists of questions relating to demographic variables and section 2 consists of questions relating to various constructs – Talent Management, Employee Value Proposition, Employer Branding, Employee Engagement and Intention to stay. Talent Management construct has three dimensions – Talent attraction, Talent development and Talent retention. Likert 7 point scale was used in order to know the response of the employees regarding various constructs. The reliability of various constructs is tested using cronbach’s alpha and the results are presented in Table 1.

Results & Discussion

Table 2 depicts that the mean scores of various talent management constructs and EVP, EB are between 3.5 to 4.0 on a scale of 1-7 indicating average level of satisfaction of the respondents with talent attraction, talent development and talent retention practices of the company.

The employee value proposition and employer branding as perceived by the employees is also medium in scale. The employee engagement and intention stay figures are only modest as depicted by mean scores in table 2.

It is observed that there is a need in order to improve TM practices further which in turn would facilitate better EVP and EB leading to more actively engaged employees reducing attrition rate. It is very much required to retain the employees as the cost of employees leaving the company would be very high. The managers should honor the psychological contract with employees so as not to breach their trust, fail to meet their expectations and risk losing valuable workers (Ariss et al. 2014).

The most attracting factors which employees feels about their company at the time of joining was

Table 1: Cronbach’s Alpha Values

Construct/ Dimension	No. of Items	Cronbach’s Alpha Value
Talent Attraction	5	0.832
Talent Development	19	0.963
Learning & Development	6	0.877
Career Management	4	0.891
Succession Planning	4	0.911
Leadership Development	5	0.913
Talent Retention	16	0.942
Performance Management	7	0.918
Work Environment & culture	4	0.782
Reward & Compensation Management	5	0.909
Employee Value Proposition (EVP)	22	0.967
Employer Branding (EE)	8	0.925
Employee Engagement (EE)	12	0.914
Intention to Stay (IS)	3	0.767

Table 2: Mean Scores of Various Talent Management Constructs with EVP, EB & EE

Sl. No.	Variables	Mean Scores
1	Talent Attraction	3.79
2	Talent Development	3.56
3	Talent Retention	3.87
4	EVP	3.96
5	EB	3.85
6	EE	4.31
7	Intention to stay	4.19

working hours & conditions as mentioned in Table 3, followed by salary and career development opportunity provided by the companies. It also depicts the company image in the society as the least bothered factor by the employees.

From table 4, it can be clearly seen that employee engagement and intention to stay are highly correlated (.753**) and the correlation is significant. Hence the null hypothesis that there is no significant relationship between employee engagement and intention to stay is rejected. The more employees are

engaged, they are less likely to leave the organisation.

Table 5 demonstrates that talent attraction is highly correlated with all talent management constructs such as talent development (.807), talent retention (.779), and it is also found to be significantly correlated with employee value proposition (.763), employer branding (.771), and employee engagement (.679). Similarly, talent development found to be highly correlated with employee value proposition (.890), employer branding (.911), and employee engagement (.784). Moreover, talent retention is significantly correlated

Table 3: Factors of attraction

	Factors	Frequency	Percent	Rank
1	Salary	30	56.6	2
2	Career Development	29	54.7	3
3	Working hours & Conditions	33	62.3	1
4	Recognition & reward	11	20.8	8
5	Job Security	21	39.6	6
6	Benefits	23	43.4	5
7	Company image in the society	9	17.0	9
8	Facilities	17	32.1	7
9	Location of the company	26	49.1	4

Table 4: Correlation between Employee engagement and Intention to stay

	Mean Score of EE	Mean Score of Intention to stay
Mean Score of EE Pearson Correlation	1	.753**
Sig. (2-tailed)	.53	.000
N	53	53
Mean Score of Intention to stay Pearson Correlation	.753**	1
Sig. (2-tailed)	.000	.53
N	53	53

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

Table 5: Correlations

		Mean Score of Talent Attraction	Mean Score of Talent Development	Mean Score of Talent Retention	Mean Score of EVP	Mean Score of EB	Mean Score of EE
Mean Score of Talent Attraction	Pearson Correlation	1	.807**	.779**	.763**	.771**	.679**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000
	N	53	53	53	53	53	53
Mean Score of Talent Development	Pearson Correlation	.807**	1	.884**	.890**	.911**	.784**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000
	N	53	53	53	53	53	53
Mean Score of Talent Retention	Pearson Correlation	.779**	.884**	1	.840**	.907**	.754**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000
	N	53	53	53	53	53	53
Mean Score of EVP	Pearson Correlation	.763**	.890**	.840**	1	.912**	.850**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000
	N	53	53	53	53	53	53
Mean Score of EB	Pearson Correlation	.771**	.911**	.907**	.912**	1	.795**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000
	N	53	53	53	53	53	53
Mean Score of EE	Pearson Correlation	.679**	.784**	.754**	.850**	.795**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000
	N	53	53	53	53	53	53

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

with employee value proposition (.840), employer branding (.907), and employee engagement (.754). Therefore it can be claimed that talent management practices are positively correlated with employee value proposition, employer branding, and employee engagement of the company.

Conclusion

Sikkim has successfully attracted many giant pharmaceutical companies because of the enormous benefits under NEIIPP (North-East Industrial and Investment Promotion Policy), 2007. But there are many aspects which need to be consider in order to increase the retention rate of employees as well as for the growth of companies. Gap in supply and demand of manpower to the companies, havoc climatic conditions, inadequate infrastructure, etc. are few examples of it. Hence, companies are facing problem in attracting as well as retaining the talent for long run. Talent management is very important for any organisation as they affect employee value proposition, employer branding and employee engagement. When employees are engaged employee retention will be high.

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Enhancing Employee Experience: A Strategic Priority for Building Employer Brand

B. Vijaya Lakshmi

Abstract

In today's competitive market, a company's employer brand is an essential strategic tool to improve employee experience and retain top talent. Employer Branding is "a set of attributes or factors which make an organization unique attractive for people who will feel good to work with it and give their best to the organization. Employee experience is about everything an employee experiences throughout his stay in the organization. In the present study an attempt is made to understand the related concepts of employer branding and employee experience. It deals with knowing the link between these concepts by review of the literature and conceptual framework addressed to employer branding. The final part deals with suggesting various measures to enhance employee experience and considering it as a strategic priority to build Employer brand.

Keywords: Employer Branding; Employee Experience.

Introduction

In the present scenario there is a sea change in the workplace. The industrial age witnessed skilled labour, the information age witnessed the knowledge based personnel and the present cognitive age is dominated by technology. In fact, the cognitive age is more human oriented era where employees have more opportunities for growth and rewarding experiences at the workplace.

In this scenario organizations are assessed not only on the products and services but also on the image of the company in the job market. The brand image of the company makes it attractive to the potential job aspirants to apply for the jobs. Such an attractive image of the company allows it retain the talent which consequently leads to increased competitiveness of

the organization. Organizations' that set enhancing employee experience as a strategic priority to build employer brand go a long way in creating an organization culture of creativity, innovation and also gain customer loyalty.

Review of Literature

Moroko & Uncles, (2008) In order to ensure continuity and profitability organizations should build an employer brand which helps in inducing the potential job aspirants to apply for the jobs and retaining the best talent desirable for the organization.

Knox & Freeman (2006) every organizations has an employer brand which plays a important role in attracting and retaining the best talent. This will enable the organizations to attract potential recruits and also to take them on rolls of the company.

SHRM (2008) In the organization with a good employer brand employees experience a sense of belongingness and commitment towards the organization. External stakeholders also have a great experience of being associated with the organization.

Rosethorn (2009) Employer brand (EB) is a mutual contract between the organization and its members as they choose to work and stay together in the long run.

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CIPD (2006) Employer brand is a bundle of attributes which makes an organization unique and attractive. Employees develop a kind of affinity towards it and contribute their best towards organizational goals.

Wellin (2013) the study shows there is a link between what employees perceive about the organization and employer brand. It clearly shows there exists a psychological contract between employer and the employee which will affect the decision of continuation of employment service in the organization.

Hieronimus et al., (2005) Benchmarking with the similar companies will help an organization in identifying and analyzing those set of attributes that determine employer brand.

Conceptual Framework

Every employee interaction with the company right from his initial contact till the exit from the rolls of the company is termed as Employee experience. Employee experience should not be mistaken with talent retention program or any other programs associated with employee engagement program. It is more of an attempt to align corporate communication to deliver great employee experience in tune with the corporate culture.

Employer branding involves creating, developing and communicating the organization culture in the marketplace. It is the total sum of functional, economic and psychological benefits provided by employment and identified with the employing company (Ambler & Barrow, 1996)

Employee experiences in the company go a long way in creating an image of the company which employees establish in their mind. The good experiences add value to the company and the bad ones subtract it. It is up to the company how effectively it will address the situation and engage its employees and motivate them to deliver their best performance.

Procedure Methodology

The study is primarily based upon the secondary data. For this extant literature related to the topic from different databases, websites and other available sources was collected. A systematic review of collected literature was done in detail.

Result

The present environment in which the organisations are operating is most unpredictable and

volatile. Employers need to cope up with changes occurring in within and outside the environment of the organization. If they can manage change they can have a competitive edge over its competitors in the market.

The following is the list of factors that affect employer branding and which indicate the significance of building employer branding (Fig.1)

1. *Environment of the organization:* There are many factors in the environment of the organization like demographic, change in the structure of human resources and attitude towards the work and the company that affect employer brand building. Especially the young generations working style and perceptions towards work make it difficult for the company's to attract and retain the best talent.
2. *Globalization:* The wide spread of the company business across the globe also make it difficult to cope up with advanced Information and communication technology at transnational level.
3. *Competitiveness:* Talent management plays an important role in building a competitive organization in the long term. To attract and retain the talent pool company's need to adopt employer branding policies to fulfill long term needs of its employees.
4. *Transparency:* The most important factor that determines the need to build branding programs in the company is to be authentic and transparent. The wide range of social networking sites give a platform to the employees to spread the company's news and discuss their opinions. Hence it is very important for the employer to be transparent.

Anatomy of Employee Experience

Employees derive positive experience if certain elements are present within the employees in the workplace. Let us examine the anatomy of employee experience.

- *Belongingness:* It is a feeling of being part of the team, group or organization. Such employees wear their hearts on the sleeves and take pride in associating themselves with the organization
- *Purpose:* It is to know the purpose of work and what it takes to go that extra mile in one's own performance.
- *Achievement:* It is a sense of accomplishment derived from the work that is being done.
- *Happiness:* It is a feel good kind of experience of an employee after the completion of the task. Such employees feel happy and motivated to come to work every day.

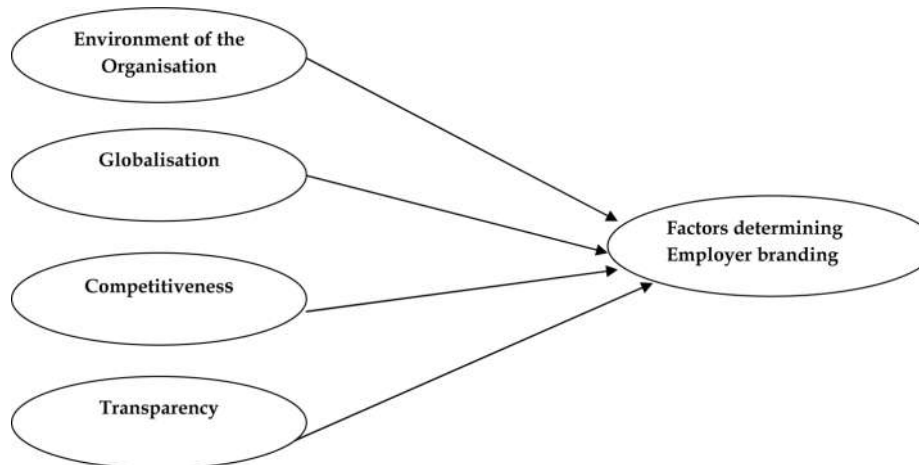


Fig. 1: Factors determining the need for Employer branding

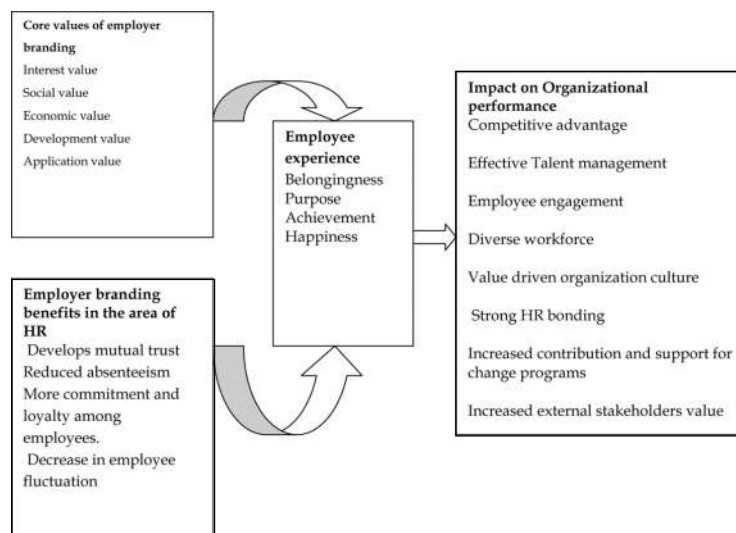


Fig. 2: Link between employer branding, employee experience and its impact on Organization performance

Core values of employer branding to enhance employee experience

To construct employer brand organizations need to build five core values into the system. They are-

- *Interest value:* Employer should create a congenial work atmosphere with best work practices. Individuals get attracted towards such environment and contribute their best to such organization.
- *Social value:* The working environment should be supportive and encouraging. A good team atmosphere creates a fun and happy workplace.
- *Economic value:* Potential job aspirants get attracted to the employer who is a good pay master and provides job security and growth opportunities.
- *Development value:* Every employee looks for growth and advancement in his career. Employer must identify and recognize the self worth of an employee and prepare him for future employability.

- *Application value:* Organization should provide an atmosphere of learning and an opportunity to its employees to apply and practice what they have learned.

Discussion

Constructing an employer brand involves building core values- Interest, social, economic, development and application values- into the organizational culture. Employer branding programs if carefully designed and properly implemented can benefit human resources as shown in the Fig.2. Such programs develop a sense of loyalty and commitment among employees. Employees experience the meaningfulness of their work and pleasant feeling of accomplishment of the task.

Conclusion

The past witnessed a very limited scope for employees as they remained inferior to employers. Employees were never considered a part of the strategic management of business. But the present scenario is there is an incredible change in the mindset of the employer. Employees are treated as assets of the company and are treated with respect. Currently many business operations are based on the human capital the company owns. To survive and succeed the company's must have the best and integrated talent. But there is always a shortage of best talent specialist. Hence employers should create a work environment and culture that attracts people to apply for the jobs and get employment in the company. By doing this organizations not only attract and retain talent but also create a unique employer brand for itself-an image of the company where employees develop an affinity for the workplace. It also gives a competitive edge in the marketplace. Now-a-days employers have realized that the success of any business depends on the pleasant experiences its employees have in the organization. It's the happy employees who build the company's brand in the market.

The following recommendations are made to enhance the employee experience at the workplace and also to build an image of the company as a place to work.

- Creating a value driven culture is very essential and is the basic foundation for building employer brand.
- Orientation program's should be designed to reduce anxiety and of new entrants and help them to adjust to new job environment.
- The ambience and ergonomics of the workplace give comfort in the employee's day to day activities.
- Create a climate of contemporary learning which enables employees to advance in their careers.
- Organize special employee centric events and elevate employee's achievements and contributions. This also gives them a platform to give their insights about the company.
- Update the employees with modern technology and also train them to catch up with the workflow.
- Empowering employees to influence and lead is very essential. Employer should change the thinking of the employees that leadership stems from top level.

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An Overview towards Word of Mouth

Mallikarjun Durgaraju

Abstract

The motivation behind this paper is to understand, outline and feature the current research work in the region of word-of-mouth (WOM) alongside the current holes in the literature. This investigation is a subjective examination of 20 research articles from peer-checked on sources covering a traverse of 14 years from 2002 till 2016 tending to WOM, its predecessors, the impacts and its part in the general bigger setting. WOM unequivocally impacts buyer behavioral attitudes. Tie quality, stickiness, dedication, financial impact can direct the WOM impact. Be that as it may it stays to be seen the how different identity qualities gets influenced. The discoveries of this audit may help potential advertisers to understand WOM and its complexities and take after the best way to deal with augment the WOM impact. Given the constrained measure of the literature centered, this paper condensed the current work with the goal that researchers and organizations can utilize this information and spotlight on their WOM exercises. It additionally features the research open doors for researchers keen on seeking after further investigations around there.

Keywords: Referral; Ratings; Word of Mouth (WOM); Reviews.

Introduction

Word of mouth (WOM) or consumer-to-consumer collaboration has been the focal point of talk among the research clique for a couple of decades now. Researchers have just demonstrated the developing impact of WOM and it has been perceived by the advertisers to be a very dependable type of showcasing data [1]. As clear from the BCG report [2], referrals and proposals from companions, partners or different consumers can go past everything else. According to McKinsey [3], WOM is more compelling in the creating markets of the world. The hidden conviction is that word of mouth correspondence can essentially impact consumer's buy choice. With the appearance of eWOM, online consumer reviews can fill in as a column to general

WOM. The investigation by Godes and Mayzlin [4] had discovered positive connection between TV indicate viewership and WOM. Additionally Liu [5] recommended that online motion picture reviews can essentially clarify film industry income. Organizations are considering WOM important as it can influence the organizations both emphatically and adversely [6].

Word-of-mouth have been found to affect a few factors like consumer decision [7,8] benefit exchanging [9], buy choice [10], observation about the item/administrations [11] with brand decision assistance for the consumers. On occasion, it is more successful than the conventional showcasing tools of individual offering and different sorts of promoting [12,13]. Specifically, customers give careful consideration to WOM among alternate different methods of advertising as it is seen to be solid and custom-customized and created by individuals who are seen as having no self-enthusiasm for pushing an item [14]. eWOM can incorporate online remarks or assessments [15,16], blogging [17] item data [18] reviews messages and so forth [19,20]. The effect produced by WOM, has made it essential for today's promoting researchers to remain refreshed about its hypothesis, power, impact and understanding. With

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the high inclusion of today's consumer over the web, WOM is steadily turning into a requirement for the advertisers and it has situated itself as a topic which the researchers and advertisers can't stand to disregard. Generally speaking, it is a need to understand where the current research stands on WOM and where it is heading. In this article, we plan to give a nitty-gritty understanding of the accompanying goals:

1. Summarize the current existing work on WOM by different researchers.
2. Highlight the current holes in the research literature of WOM.
3. Providing sign to researchers for additionally examines in the region of WOM.

We have created the current work on WOM by different researchers covering a traverse of 14 years

from 2002 till 2016. This will give a reasonable thought regarding the bearing in which way the research on WOM is heading. Barely any models which were proposed by before researchers have been appeared here for better understanding.

Literature Review

Martensen and Grønholdt [21] examined how consumer feeling and decision got influenced by word-of-mouth with reference to the administration business. This investigation meant to degree the hypothesis of contemplated activity (TRA) show by including positive and negative WOM and feeling. It additionally examined the intervening part of feeling for WOM and social standard. The model tried was as underneath Figure 1.

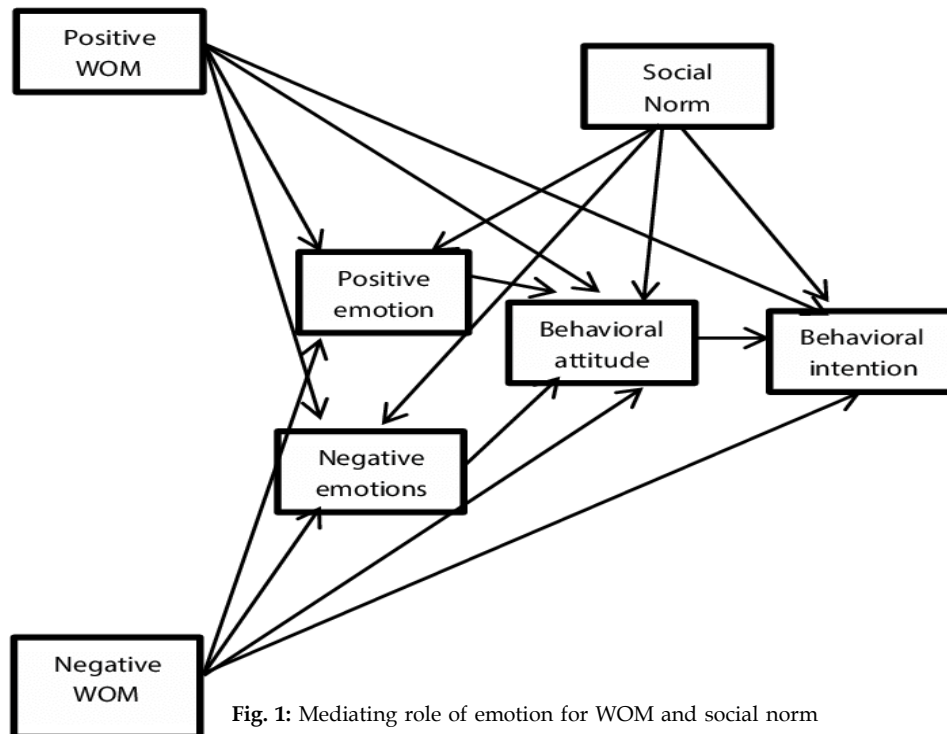


Fig. 1: Mediating role of emotion for WOM and social norm

The discoveries indicated positive WOM essentially affected the behavioral mentality and goal and negative WOM just somewhat affected the behavioral expectation. The intriguing finding is the total impact of positive WOM surpassed 2 times the impact of social standards on behavioral mentality and aim. The outcomes demonstrated that feeling was a mediator for both WOM and social standard. In this way this research incorporates WOM and feeling in the TRA demonstrate. The constraint for this paper was the investigation of one brand from industry. Future research could focus on different ventures.

Additionally, it is fascinating to investigate the tie quality for the favored WOM sources or effect of different factors like contribution, aptitude, validity and statistic homophily. New moderators like mindfulness and unpredictability of the choice could likewise be incorporated.

In the following paper, that we survey the researchers Coulter and Roggeveen [22] considered how consumers reacted to WOM correspondences in the online informal community stages. They analyzed how the source, channel and message content influence the consumer reaction to WOM

correspondence in the online networking setting. The two most utilized online web-based social networking stage i.e. Face book and Twitter were utilized for the investigation. Information were gathered utilizing two reviews which the members to react with respect to an item page recommendation in those two web-based social networking locales.

Results demonstrated that predictable with other WOM examinations, source believability (mastery) altogether decides the adequacy of an influential correspondence. The item page had all the earmarks of being the most essential driver to thought process customers for online WOM. Along these lines the advertisers were proposed to keep up a solid item page. Dissimilar to the offline world, over the web the source closeness does not generally affect consumer’s decision to get more data on the items. The imperative finding was if the consumers could speak with the source straightforwardly, at that point the effect of the closeness reduced. In any case, the inverse was likewise valid. In this way for the advertisers, they could take after the supporters of their devotees to

have a bi-directional discussion. With respect to, as the validity of the item page expanded, the consumers will probably look for more information about the item. The investigation likewise uncovered connection between part number and item page seeing. The more the quantity of preferences (in Face book) or the quantity of supporters (in Twitter) the more possibilities were that the consumers will look for item information as the validity goes up. As to closeness, the investigation found that progressively the quantity of companion/devotees joined or suggested the item page, the more probable the customer was eager to get more data on the item. This was on account of the system closeness is an element of regularizing impact. Voyer and Ranaweera [24] explored the effect of WOM on the administration buy choices. This paper contemplated the connection between the tie quality and the administration buy choice and how it affected the WOM impact. The result hazard and the mental dangers were tried for their effect on the contribution for the buy choice. The model proposed by the creators looks as Figure 2.

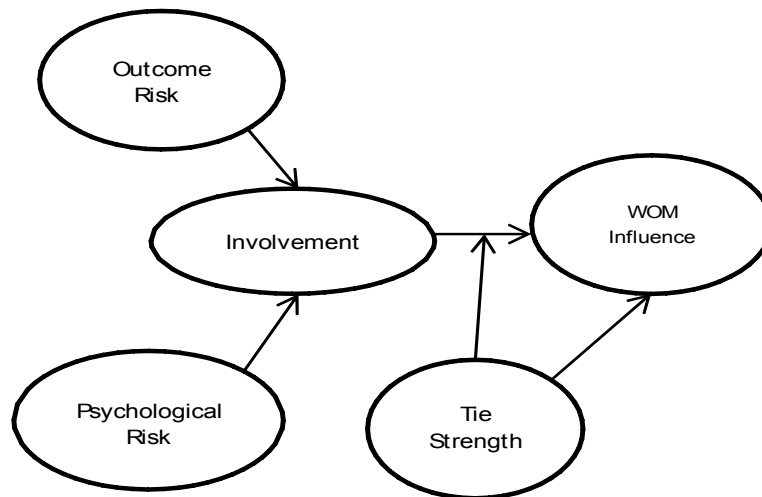


Fig. 2: Voyer and Ranaweera proposed model

The outcome demonstrated that both the association and the tie quality emphatically influenced the WOM impact. Additionally, as a negative control impact, the tie quality decreased the impact of contribution on WOM. Likewise with the WOM impact expanded with the expansion in the contribution. The same was likewise valid for the tie quality. This examination likewise demonstrates that the consumers level of contribution in the WOM was affected increasingly the unmistakable and substantive components of dangers (like potential mental or social damages), as opposed to that of the immaterial ones. This examination had been restricted

by the saving money industry. There is an arrangement to check the same in other retail industry also. Additionally further examinations may incorporate numerous measures in the WOM develop. This research had a few confinements like the utilization of cross-sectional research outline. Future research may check the longitudinal research plan. Likewise the outcome can shift for sexual orientation particular examples. For instance guys may feel good shopping on male item particular sites. Likewise the factors like customer age, identity alongside sex could be investigated the future examinations to check the relations.

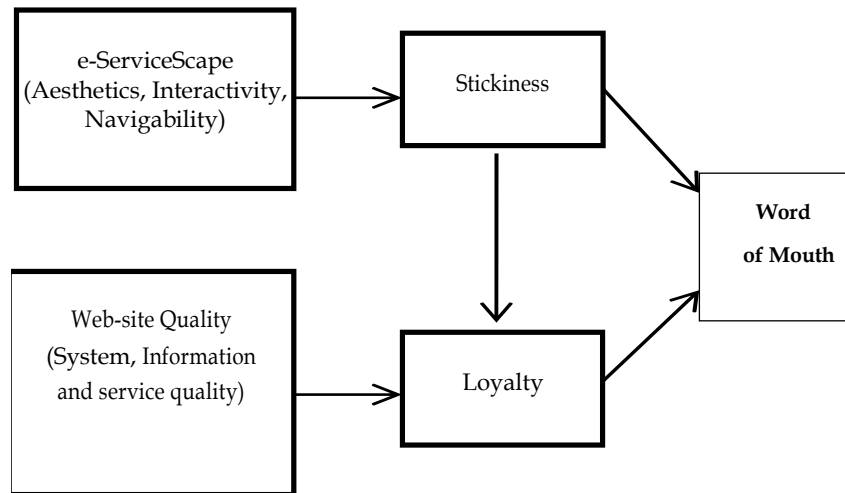


Fig. 3: Stickiness and loyalty impact on the WOM promotion on retail websites focusing .

Ferguson et al. [27] had examined customer friendliness and total administration encounter as the predecessors of positive WOM. They attempted to answer the inquiry if the socially dynamic consumers occupied with more positive WOM. Here the creators

considered the relationship of positive WOM expectation in the healing facility setting with both the amiability and the view of administration considered for the patients. The proposed show was as per the following in Figure 4.

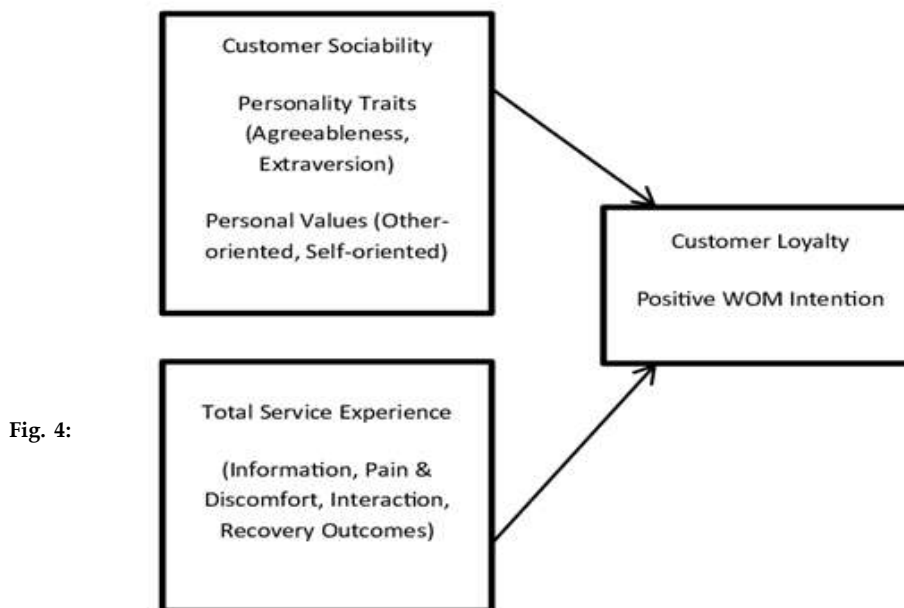
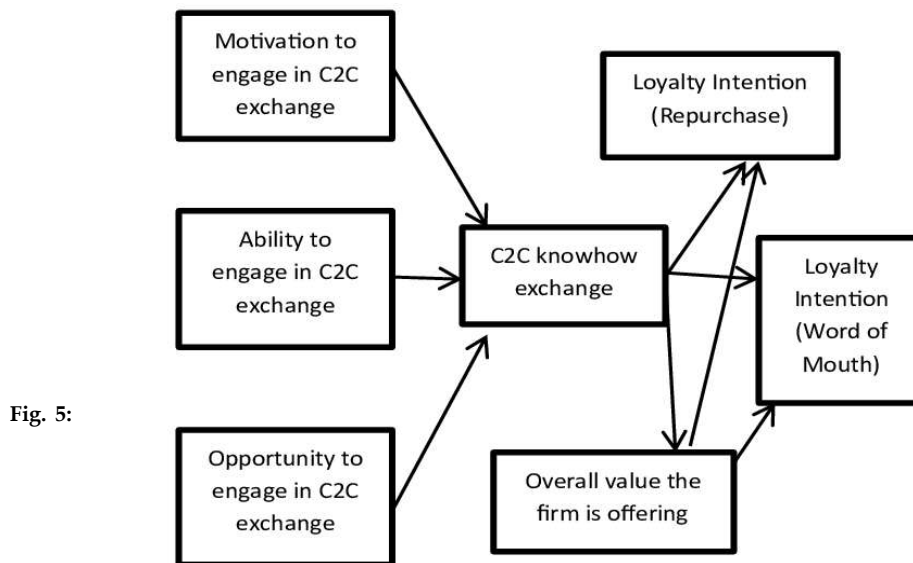


Fig. 4:

The examination was restricted by the healing center sector. There is a need to expand this examination to different sectors also. Likewise the part of negative WOM was not examined here. It would likewise be fascinating to incorporate administrations cape and its substantial components later on considers.

Gruen et al. [28] had considered one particular part of eWOM correspondence. They examined the effect of consumer to consumer (C2C) skill trade on esteem

observation and devotion. The paper likewise contemplated the forerunners of consumer know how trade like inspiration, opportunity and capacity. The paper proposed a model expressing that the apparent utilitarian esteem that the consumers get and their dedication could be impacted by trade of C2C ability. This C2C know how trades were encouraged by inspiration, opportunity and the capacity to take part in skill trade. The proposed demonstrate was in Figure 5 as beneath:



Six hundred sixteen 616 finish reactions for a survey were gotten from the clients of an online software item gathering who occupied with strung discourses. The example spoke to over 12% of the populace. Inspiration, capacity, opportunity, C2C skill trade was estimated utilizing adjusted scales. The outcomes found that C2C skill trade influences the esteem the firm is offering and the consumer's future expectations. It demonstrated that eWOM correspondence was seen to be a solid wellspring of data. E-WOM likewise affected the apparent esteem that the firm is offering. The impact of C2C ability trade on future buy aim was intervened by the general esteem that the firm was offering. Opportunity did not influence altogether to the data trade which likewise focuses that open door may assume a minor part in web correspondence.

This research was restricted by the cross sectional investigation. Future examination was proposed to adopt a longitudinal strategy. This examination likewise did not consider the impact of factors like apparent advantage. Additionally many-sided quality of the item may assume a directing part in the company's esteem offering.

Wirtz and Chew [29] in their examination researched the effect of impetus, fulfillment, bargain inclination and tie quality on WOM conduct in administrations setting. They wanted to discover how WOM can be overseen all the more successfully. The investigation however was constrained by the utilization of fiscal motivating forces. Future research could check the impact of blessing, credits and coupons as motivating forces. Once more, this research did not center around how the WOM is created on the web. In the on the web or the virtual

setting, the tie quality may influence in an unexpected way. Pongjit and Beise-Zee [30], researched how the motivations for the WOM can affect the brand state of mind for the consumers. Their research meant to understand how fiscal and non-money related motivations influence the different measurements of brand picture inside different kinds of relationship.

The investigation was directed in Thailand utilizing understudy test comprising of 645 subjects whose age were between 18-25 years. The analysis comprised of a 3×3 plan where 3 levels of motivations (fiscal, non-financial and no impetuses) and 3 social relationship writes (specialist, connection and market based evaluating) were checked. ANOVA and relapse analysis were done on the information. Lim and Chung [31] proposed to discover how the brand recognition influences the inspiration for assessing WOM for the brand. The researchers trusted that brand nature, as opposed to item commonality would influence the inspiration to process WOM. 228 Undergraduate understudies from a noteworthy college in Singapore were decided for the examination.

Brand commonality (recognizable and new) and skill (high and low) of the WOM sender were controlled in the trials. ANCOVA was utilized for the analysis. The focal point of the research was shared influence as opposed to organization supported WOM. The discoveries showed the directing impact of brand recognition on WOM. The ability of the source was again demonstrated and all the more so in instances of new brand. Regardless of whether the WOM was from a high dependable source, consumers were probably not going to trust it in the event that it was for a new brand. This examination additionally featured the significance of considering the consumers

brand mentality assurance with a specific end goal to anticipate the demeanor change. For the advertisers, the brand augmentation may be utilized to impart solid brand situating. The advancement offers which impacted the brand commonality may likewise assume a basic part. For the new brands, the source validity was critical to consider. The item class (printer) which was utilized as a part of the investigation required some specialized information to assess. Other item classes could be utilized for future research. It gave the idea that usability and specialized competency may assume a part for the WOM beneficiary. The research was restricted by applying WOM just in offline word. Nowadays, the vast majority of the WOM was being created in on the web and in online networking. Future research may check the impact of brand demeanor in online proposals. Chung and Tsai [32] contemplated the effect of tie-quality on WOM and how it was influenced by the regulatory core interests. The hypothesis of regulatory concentration said there were two particular inspirations: advancement centered where the people were touchy to constructive results and; anticipation centered where the people were delicate towards contrary results.

Two hundred Six undergrad college understudies were picked as the example. The subjects were randomly appointed conditions (control of tie quality or control of regulatory concentration) and then were appropriated polls. The discoveries demonstrate regulatory concentration to be a forerunner for WOM. It appeared to direct the connection between tie-quality and WOM. Factors like vigilance and carefulness were the characteristics of preventive centered WOM provider. Be that as it may, these factors were missing for the advancement centered WOM provider.

This impact of regulatory concentration proposed the shifted impacts of WOM when the consumer collaborates with different social gatherings. For administrators, the organizations may feature the impediments of not sharing a pleasant affair by featuring how consumers can miss the possibility of solid tie with the consumer base. This may be quite compelling if there should arise an occurrence of online WOM. Organizations could likewise support the advancement confronted conduct to oversee WOM. The research was restricted by its example choice of prevalently Asian understudies. It is realized that culture appears to affect inspiration. Along these lines future investigations may contemplate the directing impact of culture. Another intriguing territory for future research could be the effect of tie quality and regulatory spotlight on WOM valence.

This may have high impact in the online setting. Additionally the impact and consequences of feeble opposite solid tie quality could be viewed. The outcomes called attention to that positive WOM impacts more essentially than the negative WOM. Both in instances of constructive and pessimistic WOM, relational factors (like homophily and so on.) and message quality effects the apparent WOM impact. It was additionally discovered that if there should be an occurrence of positive WOM, brand value recognition upgrades message impact and abatements in the event of negative WOM. Once more, past involvement with the specialist organization lessens the effect of positive WOM, however that if there should be an occurrence of negative WOM did not impact. Supporting prior works, a solid WOM from a nearby source highly affected the beneficiary. It was additionally discovered that brand value directly affected the consumers' ability to utilize a specialist co-op.

The examination was constrained inside the administration sector. Along these lines the item setting and the item many-sided quality stayed to be seen for a similar target. Future research could likewise focus on different predecessors like the luck on message impact. Likewise the quality of WOM may change with the dangers related with various types of administrations. This research concentrated on balanced correspondence. Along these lines there is a need to perceive how communicated type of media (web-based social networking) impacts WOM.

A current report by Shi et al. endeavored to discover how WOM influence customer fulfillment. In this article the researchers investigated how WOM affected the component of customer fulfillment. They additionally watched the directing impact of WOM source and item compose on the connection. The test was directed with 160 understudies whose normal age was 22 years with relatively break even with male and female understudies. They quantified the apparent desires, saw item quality and fulfillment. These three factors were controlled among the subjects: WOM quality (positive or negative), WOM source and item write. MANOVA was utilized for the analysis.

The outcomes demonstrated that WOM affect fulfillment by means of desire. Positive WOM makes higher desires and there is a shot of lower fulfillment. The same is turn around if there should arise an occurrence of negative WOM. Additionally the researchers did not discover regulatory part of item compose in the connection amongst WOM and saw quality.

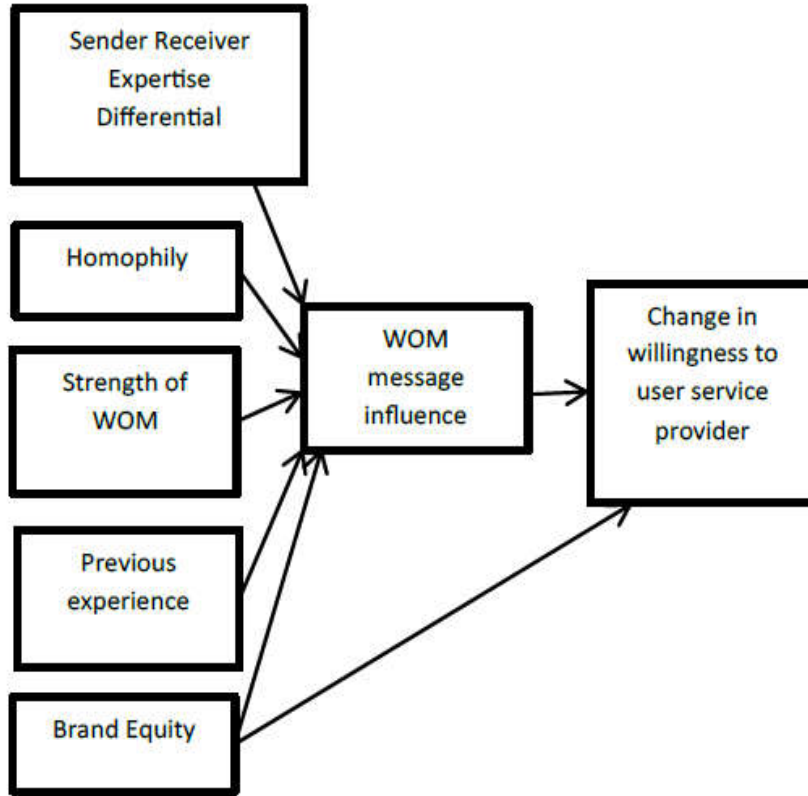


Fig. 6: Consumer’s willingness to use a service provider

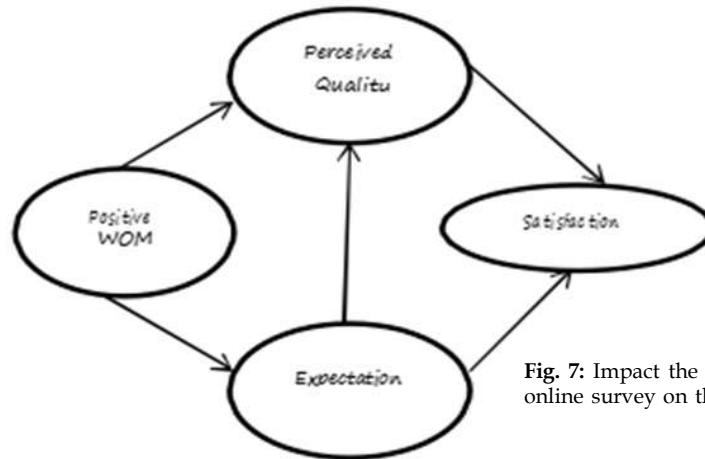


Fig. 7: Impact the valence and objectivity of the online survey on the judgment of consumers

The examination was restricted by the utilization of WOM as parallel variable. Future examination may focus on utilizing WOM as constant variable. Additionally item should be looked profoundly as how different item writes impacts WOM. Jeong and Koo [34] had examined the impact the valence and objectivity of the online survey on the judgment of consumers and if eWOM moderatingly affected this. The creators attempted to check the directing impact different online stages like organization worked group or consumer worked. The proposed display is appeared underneath Figure 7. The outcomes found

than target negative online WOM were given more significance than other WOM writes as far as message convenience. It additionally demonstrated the joined impact of antagonism or energy and objectivity or subjectivity was very successful in affecting consumer’s judgment for item messages. Consequently the chiefs were recommended to deal with the negative WOM which are encounter based as they can accomplish more mischief. Additionally the item quality ought to be high and different parameters (like conveyance and so on.) ought to be remembered. Supervisors should plan to diminish

the negative WOM both in consumer and in addition business created groups. Future research was recommended to differentiate eWOM past the inspiration or objectivity worldview as this was a similarly new region. It appeared to be different item classes may moderately affect consumer's judgment which was not considered in this investigation. Again this research was done utilitarian items. Along these lines the hedonic items carry on in this setting is obscure.

Lopez and Sicilia [35] in their research have explored WOM as a specialized tool and they attempted to discover how WOM correspondence impacts new item selection. They contended that the WOM showcasing effort could be created even before promoting and along these lines WOM would assume an essential part in the new item appropriation methodology. In one of the trial, 171 college understudies were randomly allotted to two conditions-one where they are presented to the WOM correspondence first and in another where the subjects were presented to the promotion first. A similar test was duplicated utilizing a non-understudy test too. Item mindfulness and item reception were estimated. Item information and saw oddity were likewise estimated as extra factors. Chi square test was utilized for the analysis. The investigation affirmed that WOM had a profound effect in new item selection. Along these lines the organizations ought to dependably begins item crusade with WOM first and then begins promoting. WOM affected consumer mindfulness and in this way brought about expanded appropriation. The paper additionally demonstrated that new item dispersion in upgraded with WOM before publicizing dispatch. Likewise higher volume of WOM brought about speedier selection. For the chiefs, they could ask consumers supposition on new item dispatch and then the crusade could be outlined. Directors could straightforwardly achieve sentiment pioneers with demos which could be a piece of the seeding effort. The buildup age around another item would be vital for the organizations.

Future research could search for the part of data inquiry or WOM at a later phase of item appropriation. Again this examination was restricted by one sort of item. Different item like involvement or pursuit item may act in an unexpected way. Likewise further research is required to perceive how different specialized tools or their mix works in the dispersion procedure. Christ odoulides et al.

[36] in their research considered how culturally diverse contrasts affect the buy expectation for WOM among the UK and Chinese consumers. The research configuration was $2 \times 2 \times 3$. 2 parameters were: eWOM writes - positive and negative; another 2 parameters: item compose - encounter versus look and the last 3 parameters were buy expectation at 3 unique circumstances. Snowball testing strategies was utilized to contact 103 UK and 106 Chinese consumers. Polls were circulated and information were gathered. ANOVA was utilized for the information analysis. The outcome demonstrated that the UK consumers had less buy aim than their Chinese partners after presentation to eWOM. This could be as UK consumers were more powerless to antagonism predisposition for the eWOM. Then again, Chinese consumers appear to be exceedingly affected by eWOM. The discoveries affirmed that introduction to positive and negative WOM fundamentally affected the buy goal for both the nationals. Likewise the pessimism predisposition was more essential in the event of experience items than on seek items. Advance the investigation demonstrated the significance of valence if eWOM correspondence. The buy expectation diminished when members were clench hand presented to positive remarks and then negative remarks. Also the buy aim expanded when the members were presented to the negative remarks first and then positive remarks. Huang et al. [37] investigated the factor that can help creating a gradually expanding influence for WOM dissemination in the online condition. The model proposed in the research was this (Figure 8).

Results demonstrated that every one of the four measurements considered significantly affected the consumer's acknowledgment. Among these measurements, quality was the most imperative. The WOM data itself was a principle driver for the gradually expanding influence. The impact of the measurements is same for both positive and negative WOM. In the online setting, individuals acknowledgment

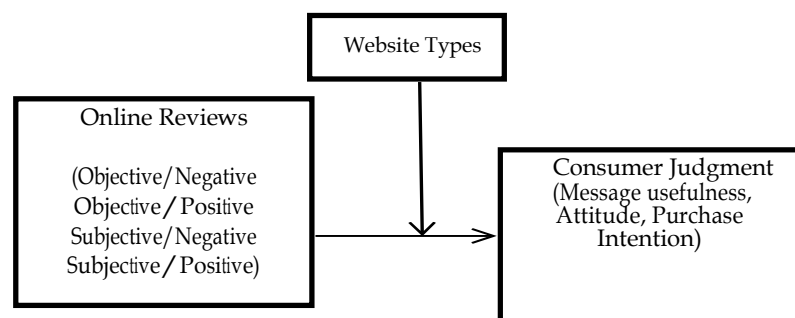


Fig. 8: Huang proposed model

of WOM content was not impacted by the item inclusion. Supervisors consequently ought to have the capacity to make a long WOM stream for the expansive influence. The message and correspondence ought to be simple and advantageous to transmit. Seen quality ought to be the main concentration took after by the apparent realness.

For directors, it ought to be remembered that tech abilities did not assume a key part in web based shopping. Subsequently the client experience could be smoothed. They may draw in themselves with the crowd through online journals or posts. To accomplish viral showcasing, directors were recommended to upgrade the sites with rich data, dependable and adjusted consumer reviews and choices for participating in social association. The examination was constrained by the sex. The whole subject in this examination was guys. Along these lines it is obscure how in this setting sexual orientation would assume a part in the mentality or conviction communicated in the examination. This research additionally focused on the youthful consumers. Future research hence could investigate an extensive variety of online consumers.

Conclusion

Over the past few decades, there have been some paradigm shifts in the field of marketing. One of the revolutionary one was with the beginning of internet marketing. The review provided by Schibrowsky et al. [38] proves that scholarly research in the area of Internet Marketing is growing. Word of mouth is one such aspect where the marketing professionals are focusing for some time.

Speculations from brain science and behavioral examinations assume a urgent part in helping advertisers planning the general WOM crusade to reach and set up a connection with the clients. This research area is a strong and growing field that has conceptual and empirical opportunities for future scholarly research. According to us, the top needed areas for further research in word of mouth are the following:

1. Impact of WOM on various personality traits and how it affects the purchase intention.
2. The part of motivations, consumer judgment and impact of brand mentality on clients WOM generation process.
3. How various product categories impacts the WOM generation.

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Blue Ocean Strategy

R. Sindhu

Abstract

This paper is to further the study on Blue ocean strategy. There is always a need for sustainable profitability and growth in Business. This paper tries to further understand one of the strategies developed by Kim and Mauborgne to increase profitability. This concept puts forth a shift of attention from supply to demand, from a focus on competing to a focus on value innovation – that is, the creation of innovative value to unlock new demand. This is achieved via the simultaneous pursuit of differentiation and low-cost, the blue oceans stand for completely new and undiscovered markets and opportunities with new value creations, new customer bases and no competition. A company that plans to use the Blue Ocean Strategy must be aware, that the creation of Blue Oceans is a dynamic process and not a single task of implementing a strategy. A reason for this is the fact that sooner or later, competition will arise in new created uncontested markets. Companies should adopt innovative strategies to venture into new markets, to create new demand, and to create the best value proposition.

Keywords: Blue Ocean Strategy; Value innovation; Market space; Competition

Introduction

Blue ocean strategy, is based on the view that market boundaries and industry structure are not given and can be reconstructed by the actions and beliefs of industry players. Assuming that structure and market boundaries exist only in managers' minds, practitioners who hold this view do not let existing market structures limit their thinking. To them, extra demand is out there, largely untapped. The crux of the problem is how to create it. This, in turn, requires a shift of attention from supply to demand, from a focus on competing to a focus on value innovation – that is, the creation of innovative value to unlock new demand. This is achieved via the simultaneous pursuit of differentiation and low-cost. As market structure is changed by breaking the value/cost

tradeoff, so are the rules of the game. Competition in the old game is therefore rendered irrelevant. By expanding the demand side of the economy, new wealth is created. Such a strategy therefore allows firms to largely play a non-zero-sum game, with high payoff possibilities. Let us discuss to understand the blue ocean strategy based on various companies following this strategy.

Objectives

1. To understand the concept of blue ocean strategy through review of literature.
2. To study the impact of blue ocean strategy in select companies.

Review of Literature

The traditional competition-based strategies (red ocean strategies) are necessary, but they are not sufficient to sustain high performance. Companies need to go beyond competing. To seize new profit and growth opportunities they also need to create blue oceans [2].

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Here, cost and value are seen as trade-offs and a firm chooses a distinctive cost or differentiation position. Because the total profit level of the industry is also determined by structural factors, firms principally seek to capture and redistribute wealth instead of creating wealth. They focus on dividing up the red ocean, where growth is increasingly limited.

The blue oceans stand for completely new and undiscovered markets and opportunities with new value creations, new customer bases and no competition. Demand is created, growth is profitable and rapid, competition is irrelevant, rules of the game are not set, wide deep potential of market space that

is not yet explored, “blue ocean” = vast, deep, powerful, in terms of profitable growth, and infinite (Kim & Mauborgne, 2005). According to the authors, market boundaries between the red and blue oceans exist only in the managers minds. Core problem is the way how to create a new uncontested market space and change the focus from competition to creation of innovative value to make accessible new demand. Another fact is that many managers are familiar with the red oceans and feel accustomed to competition [3].

Red Ocean strategy versus Blue ocean strategy [4]

Red Ocean Strategy	Blue Ocean Strategy
Compete in existing market space Beat the competition Exploit existing demand Make the value/cost trade-off Align the whole system of a company's activities with its strategic choice of differentiation or low cost	Create uncontested market space Make the competition irrelevant Create and capture new demand Break the value/cost break off Align the whole system of a company's activities in pursuit of differentiation and low cost

Profit Model of Blue Ocean strategy

The profit model of blue ocean strategy shows how value innovation typically maximizes profit by using the three levers of strategic price, target cost, and pricing innovation.



A company that plans to use the Blue Ocean Strategy must be aware, that the creation of Blue Oceans is a dynamic process and not a single task of implementing a strategy. A reason for this is the fact that sooner or later, competition will arise in new created uncontested markets. [5]

Creating Blue Oceans

Blue Ocean is an ongoing process, it is not static. When a company creates a blue ocean, its performance is known to all. Imitators either sooner or later start the competition by doing the same business in the same way. There will be a doubt that whether the blue ocean strategy can be replicated or not in that particular industry. There is a concept called as early imitators, and followers. As much the companies start getting success, more jump in, further expanding the blue ocean.

To avoid this trend of competition the value curves of the company's strategy have to be monitored. The company needs to study when to value -innovate and when not to, when your companies value curve begins to converge with competition, you need to get alert. You also need to pursue another blue ocean where there is still a huge profit to be collected from your current offering. You should resist to value innovate again when your companies value curve has focus, divergence and compelling tagline, rather focus on lengthening, widening and deepening your operations.

Imitation Barriers to Blue Ocean Strategy

- Value innovation does not make sense to a company's conventional logic.
- Blue ocean strategy may conflict with other companies' brand image.
- Natural monopoly: The market often cannot support a second player.
- Patents or legal permits block imitation.
- High volume leads to rapid cost advantage for the value innovator, discouraging followers from entering the market.
- Network externalities discourage imitation.
- Imitation often requires significant political, operational, and cultural changes.
- Companies that value-innovate earn brand buzz and a loyal customer following that tends to shun imitators. and geographical expansion to achieve maximum economies of scale and market coverage. You should swim as far as possible in the blue

ocean, making yourself a moving target, distancing yourself from your early imitators, and discouraging them in the process. The aim here is to dominate the blue ocean over your imitators for as long as possible [6].

How to go about creating Blue ocean

1. Make new market space
2. Convert non customers to customers
3. Break away from competition, create strong profitable growth
4. Opportunity maximizing and risk minimizing

Key questions to be answered are

- Why should people buy your offering
- Is it priced to attract the target customers , so they have ability to pay for it
- Can u produce product at the strategic price still getting profit
- Adoption hurdles, how to overcome [7]

In blue oceans, demand is created rather than fought over. There is ample opportunity for growth that is both profitable and rapid. In blue oceans, competition is irrelevant because the rules of the game are waiting to be set. Blue Ocean is an analogy to describe the wider, deeper potential of market space that is not yet explored

To Understand the Concept of Blue Ocean Strategy Through Review of Literature

The above literature gives an understanding that blue ocean strategy is creating new markets, searching out demand. This was happening even before this concept was put in theory. From the spice route to ancient India where travelers earned gold in place of Indian spices. This strategy is used by the popular sport entertainment IPL. No business is static; therefore the dynamic state of various oceans (markets) is not deterrent to a company out their finding new value propositions, innovations, like our own Spice jet airlines, and earning a sustainable profitability.

The Impact of Blue Ocean Strategy in Select Companies

Naukri.com

It was founded by Sanjeev Bikhchandani. Considering the platform and time of birth of Naukri,

Mr. Sanjeev had many other options to do or start-up with and enter into the competition world. But Naukri was a way different stuff. Naukri.com was found on 1997 – days which internet wasn't that popular in India. Naukri.com entered the uncontested market space with a different business strategy of that time and we all know the status now! [8]

Many new industries have taken root of late, Industries like petrochemicals, aviation, automobiles, healthcare, music recording, management consultancy, before fifty years were unheard of or were just emerging. Mutual funds; cell phone; biotechnology; express package delivery are the few multi billion company which have come up.

Using value innovation and not competition as the benchmark is what the creators of blue ocean strategy did. Because instead of beating the competition, they made competition irrelevant, by creating value for the buyers, thereby opening up new and uncontested market space.

Dell Computer

In the mid-1990s, Dell Computer Corporation created another blue ocean in the computer industry. Traditionally, computer manufactures competed on offering faster computers having more features and software. Dell, however, challenged this industry logic by changing the purchasing and delivery experiences of buyers. With its direct sales to customers, Dell was able to sell its PCs for 40 percent less than IBM dealers while still making money. Direct sales further appealed to customers because Dell offered unprecedented delivery time. For example, the time it took from order to customer delivery at Dell was four days, compared with its competitors' average of more than ten weeks. Moreover, through Dell's online and telephone ordering system, customers were given the option to customize their machines to their liking.

Small, Fuel-Efficient Japanese Cars

The auto industry, however, did not stand still. In the 1970s, the Japanese created a new blue ocean, challenging the U.S. automobile industry with small, efficient cars. Instead of following the implicit industry logic "the bigger, the better" and focusing on luxuries, the Japanese altered the conventional logic, pursuing ruthless quality, small size, and the new utility of highly gas efficient cars. When the oil crisis occurred in the 1970s, U.S. consumers flocked to fuel-efficient, robust Japanese cars made by Honda, Toyota, and Nissan (then called Datsun). Almost

overnight the Japanese became heroes in consumers' minds. Their compact, fuel-efficient cars created a new blue ocean of opportunity, and again demand soared.

Some examples of Indian Companies that succeeded in creating Blue Ocean by extending the Known Boundaries of Red Ocean Market Space.

Tata Motors

Ratan Tata shocked Indian automobile sector by introducing TATA Nano, the most inexpensive car in the world costing only 1,00,000 Indian rupees. Company was able to create a car model, which used less steel in the car body and engine and ensured good fuel efficiency, ample seating space for four adults in the car. TATA Motors subsequently filed for 34 patents associated with the design of Nano. TATA Motors instead of focusing on top 15% to 20% of Indian population (in terms of their income capabilities) focused on that section of population that travelled by two wheelers and had low spending capability and whose dream was to own a four-wheeler vehicle. Now, it is another story that post launch of Nano and its initial few months of being there in the market, Nano is finding it hard to push up its sales further. For the same, the company is now coming out with innovative marketing strategies and financing schemes in India.

Some examples of Indian Companies and their Products that represent creation of Blue Ocean in Unknown Market Space

Shaadi.com

Shaadi.com was started by Anupam Mittal, as he understood that the success of matrimony was dependent on the ability for the broker to match the requirements of both the parties. It was also dependent on social clout. Also the marriage brokers ability to travel and communicate far and wide. Mr. Mittal therefor used internet as a medium to do such match making removing geographical barriers. Today shaadi.com is the largest matrimonial website in the world with 20 million registered users.. Shaadi.com is a unique company and has succeeded in creating Blue Ocean in the unknown market space never tried before.

FabIndia

Another unique retail venture in India is based on Ethnic Indian wear, FabIndia has succeeded in creating Blue Ocean in unknown Market place. John

Bissel, a consultant in Ford Foundation has started FabIndia in the year 1960 to showcase Indian Handloom textiles to the world. Now it has 87 stores in 39 cities in India and cities like Rome, Dubai, Guangzhou, and a turnover of Rs.3 Billion. FabIndia is closely associated with artisans and villagers to develop designs and color palettes and to optimize production techniques and raw material inputs. FabIndia sources from 22,000 artisans and will increase to 100,000 in next few years.

OYO rooms started in 2013 uses technology to find budget hotels on par with star hotels. It is the successful execution of blue ocean strategy, by offering superior value and reducing the cost of business

Starbucks: The success of Starbucks coffee shop is yet another block in the tales of Blue Ocean strategy. They separated themselves from their competitors by combining differentiation, low cost and customer oriented approach. It focused on maximizing the brands exposure .It offered a variety of products. It had specialized staff, offered personalise coffee mugs; they changed the furnishings throughout the stores, to persuade their customers to spend more time at their store. [10]

We have observed that this strategy is very much useful in automobile industries, services hospitality, Retailing, and other online services. When surf was the market leader Nirma came as a non-competing product which was yet a competition to the expensive surf, in relation to cheap Nirma.

Different Perspectives of Blue Ocean Strategy

1. Job Search Strategy using Blue Ocean

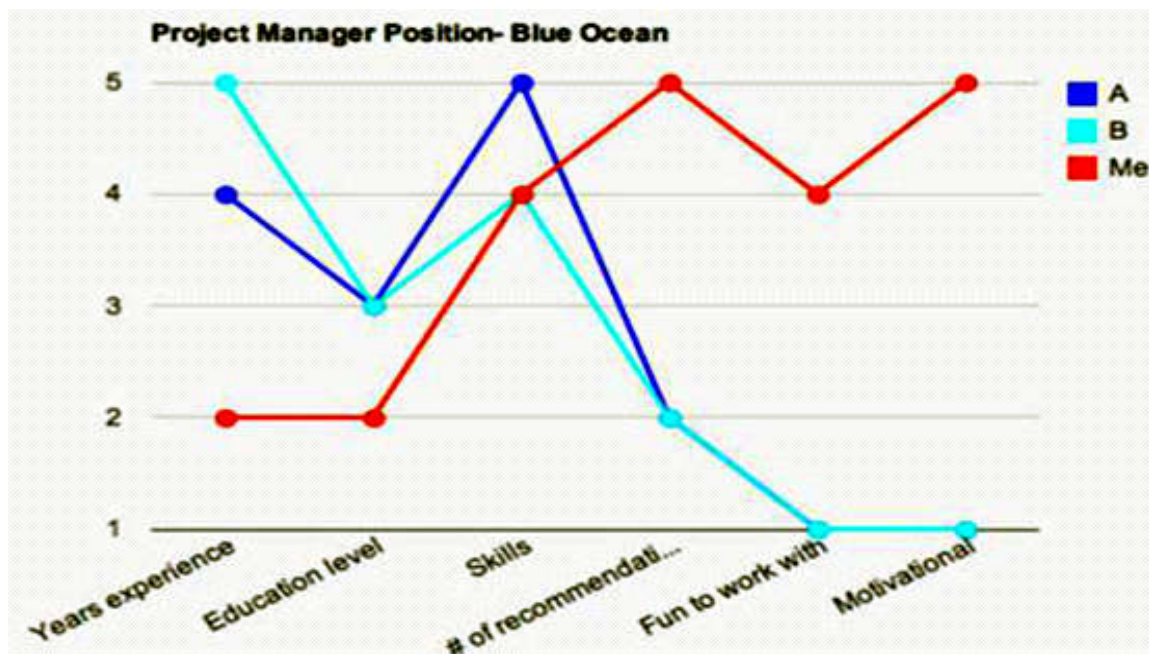
Draw a graph with ten qualities, skills and traits to qualify a typical job candidate for a position. On the Y axis draw a scale from one to ten and map out the line where a typical candidate for each factor listed on the y axis. Fill in the data for two typical candidates. Linea A and B represent these two candidates drawing both lines help you visualize how each is different from the competition, this holds good for companies too.

Find out which of these factors are unnecessary and which can be downplayed. Determine which new value which can raise you to a point where no one else can touch.

Create new value to get your line looking different from that of a typical candidate.

The candidate decides that this position really needs someone with high energy who can inspire and motivate others on the team. Consequently, he adds these factors to his chart and gives himself high marks because he knows how much enthusiasm he brings to the table compared to other job seekers.

After you have your chart, you can clearly see how you're different from your competition. Embed these differentiating factors into everything you do with your brand.[11]

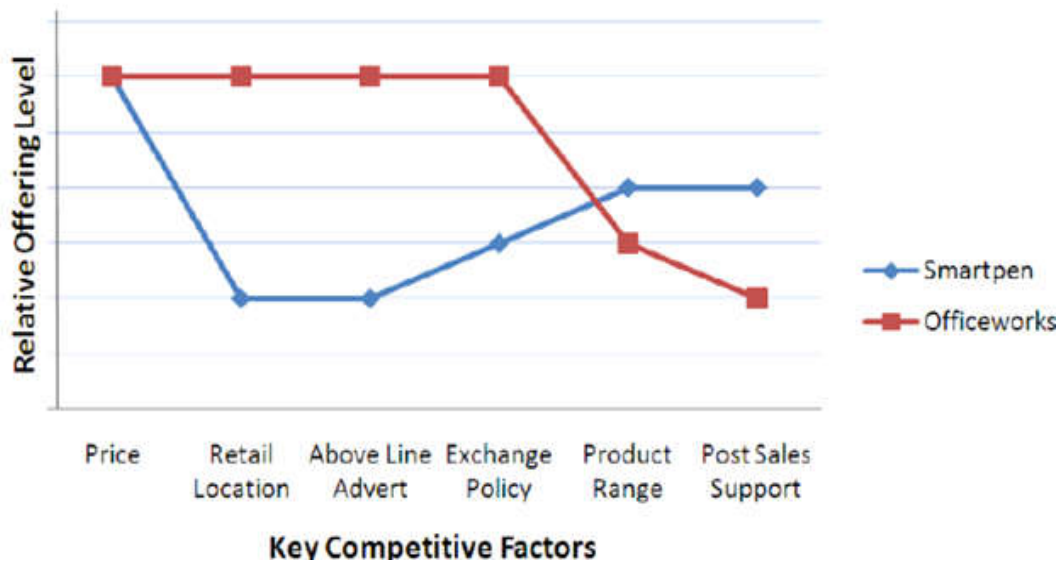


Graph 1:

2. Blue strategy allows companies to analyze their current situation

One of the most useful tools in the blue ocean strategy methodology is the strategy canvas. It allows companies to analyze their current situation and understand the criteria and assumptions against which both they and their competitors' compete. It

helps establish where expenditure and focus are directed and can help an organization understand its competitive value in the current environment. Insights of opportunity that competitors are failing to see can be found. The below is shown the differences in the strengths of 'Smarten' And 'Office works' companies in Australia [12].



Graph 2:

Conclusion

A company that plans to use the Blue Ocean Strategy must be aware, that the creation of Blue Oceans is a dynamic process and not a single task of implementing a strategy. A reason for this is the fact that sooner or later, competition will arise in new created uncontested markets. Companies should adopt innovative strategies to venture into new markets, to create new demand, and to create the best value proposition.

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Impact of GST on Retail Sector: A Study

B.D. Hansraj¹, M. Naga Sulochna²

Abstract

Goods and Services Tax started in India From 1st July 2017. GST, which was including all other taxes has been believed to eliminate other additional taxes on the inner state goods and services. Its main aim is to eliminate state boundaries and developed common market by removing indirect taxes and mitigates cascading. Retail Sector which became a backbone for Indian Economy accounts for around 10% of GDP. Supply chain network design, which is a critical activity in Retail Industries offers the opportunity of cost saving. Retail market has to assess their Supply chain strategy and need to remodel their network. This paper makes an attempt to bring out Impact of GST in Retail Sector

Keywords: GST; Retail Sector; Supply Chain; GDP; Cascading.

Introduction

GST is termed as an indirect federal sales tax to the cost of goods and services. . This GST is added to the price of product. This means when a customer purchases a product he pays the sales price plus GST. This GST is collected by the seller and then forwarded to the government. . This helps us to realize “one Nation-One Tax –One Market.” As per the opinion of experts, GST will minimize the cost of goods and services which will boost the economy and make India competitive globally. This will further increase the slogan of “Make in India”

Framework of GST

- GST is a tax that would accrue to the jurisdiction where goods and services are finally consumed.

Proposed Tax Structure in India

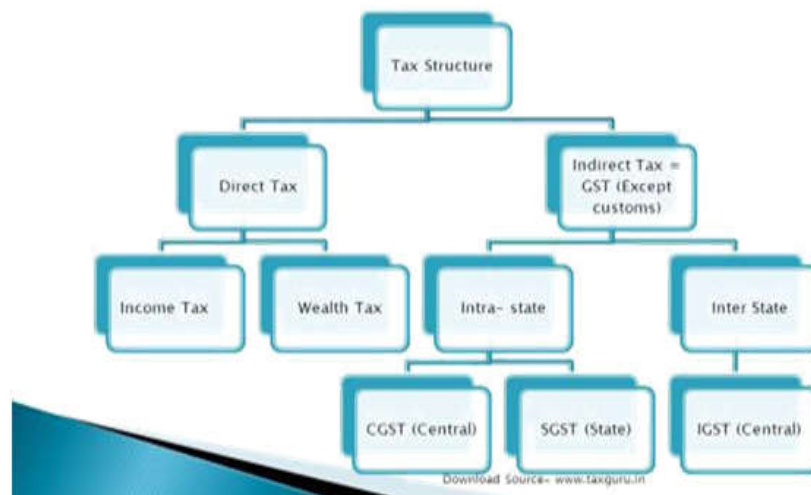


Fig. 1:

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- A single tax system would remove multiple taxable events such as manufacturing(excise) sales (VAT) and services as before.
- Transaction of goods and services among the various states are liable to central GST(CGST) and state GST
- All the Inter State transactions such as stock transfers and imports become liable to Integrated GST(IGST)

Review of Literature

Abhinav Jain, Co-founder & director, Beacon (22 June, 2017) opines that though GST is saving cost at the back end but causing a major pain in the Retail Segment. Rental cost which incurs a service tax of 15%, unlike other industries Retailer can't give up these cost but has to view it as additional expense.

Krish Iyer, Wal-Mart India President & CEO June 1, 2017, viewed GST as a new way of doing business. He further added that GST will create one unified national market and hence make supply chain and Indian retail sector more efficient. With GST the bottlenecks around the country a check post, octoi-payments and therefore the amount of time that the trucks have to wait and hence their lack of easy movement of goods from one state to the other.

A Vinod Kaushik Retail sector in India 26 sep 2016, observed that the Indian retail industry is one of the fastest growing industries in the world. Retail industry in India is expected to grow to US\$1.3 trillion by 2020, registering a compound annual growth rate of 16.7 % over 2015-2020. India is among the highest in the world in terms of per capita retail store availability. India's retail sector is experiencing exponential growth, with retail development taking place not just in major cities and metros, but also in Tier-II and Tier-III cities. The government of India has introduced reforms to attract Foreign Direct Investment in retail industry. The government has approved 51% Foreign Direct Investment in multi-brand retail and increased FDI limit to 100% (from 51%) in single brand retail.

Methodology

The present paper is exploratory and based on secondary data. The organized data have been collected from Journals, Websites and Books.

Objectives of the study

- To understand the impact of GST on Retail Sector
- To Analyze pre and post GST Tax Structure

Overall Impact of GST in general on Retail Sector

Retail is one of the major industries in India and also one of the largest in the world. The Indian retail industry is expected to reach 1.3 trillion by 2020 the annual growth rate of 16.7%. GST is applicable to almost every retail supply, affecting the cost for the consumers. Find out the details about the impact of GST on Retailers.

• Reduce Multiple Taxes

GST effectively replaces all the multiple indirect taxes being applied to the supply of retail products. Before GST, retailers had to pay multiple taxes, including VAT, CST, service tax, excise duty, etc, amounting to around 30% of the product cost. After GST, there is only a single tax, varying from 12 to 28% on different products. GST also reduces the cascading of taxes as the credit for input taxes can be now claimed by retailers.

• Input Tax Credit

Unlike the previous tax regime, GST has the provision of input tax credit, in which a retailer can claim credits for the tax previously paid by him on the purchase of inputs. This not only saves tax but also it reduces the cascading effect of taxes.

• Reduced Complications

The less number of taxes means less complexity. Also, GST is a completely digital tax system, that means retailers can plan and file the returns online without having to manage a lot of physical documents, accounts, etc.

• New Promotional Strategies

The new GST tax regimes has forced retailers to re-plan and implement a completely new promotional strategy in sharp contrast to the erstwhile strategy of promotional gifts and items. This is primarily because under GST all supply channels are accountable and accordingly attract some tax.

• Ideal for Startups

The Government has already announced tax

rebates for entrepreneurs and startups. With GST getting rid of the complications associated with the retail sector, it is inevitable that budding startups would tap into this opportunity.

A Comparison between pre and post GST Tax Structure

An Illustration with an example of supply chain, consisting Manufacturer Wholesaler, Retailer and

Customer, showing the impact with and without GST-

Assume, Manufacturer, started production of one Product, he had all the necessary things to manufacture the Product. Now, Manufacturer should have certain people known as wholesalers and further wholesalers will have retailers, so that item reaches to the Customer.

Table 1: Pre and Post GST Tax Structure

Pre GST Tax Structure

Particulars	Manufacturer	Wholesaler	Retailer	Customer
Cost of Production	1000	1724	2164	
Value added	500	200	300	
Total	1500	1924	2464	
Add : excise duty@ 12.5%	190	-	-	
Total	1690	1924	2464	
CST @ 2%	34	-	--	
Total	1724	1924	2464	
VAT @ 12.5%	-	240	308	
VAT set off	-	-	-240	
Total	1724	2164	2532	2532

Table 2:

Post GST Tax Structure

Particulars	Manufacturer	Wholesaler	Retailer	Customer
Cost of Production	1000	1800	2100	
Value added	500	200	300	
Total	1500	2000	2400	
GST @ 20%	300	400	480	
GST Set off	0	-300	-400	
Total	1800	2100	2480	2480

Findings

1. In pre GST to manufacture a product levying excise duty @ 12.5%, CST @ 2%, cost Rs. 1724 and when transferred to wholesaler adding VAT @ 12.5%. it costs Rs.2164 and finally when it is transferred from Retailer to customer levying again 12.5% of VAT at Retailer and the selling price becomes Rs.2532.
2. In post GST, to manufacture the same product excluding excise duty and CST and levying GST
 - 20%, it cost Rs.1800 and when transferred to wholesaler a value of Rs.200 is added and GST
 - 20% is levied and GST levied at wholesaler is set off, costs Rs.2100.the same procedure is followed at Retailer point and product final selling price comes to Rs.2480.
3. Here it is evident that the cascading effect of Pre GST is completely eradicated in the post GST and the cost of the product has been reduced by Rs.

(2532-2480) Rs. 52. Reduction in cost will result in reduction in selling price, decreasing in selling price will increase the purchasing power in the hands of customers. This is how the retail sector will see a boost in sales.

Conclusion

The impact of GST on retail sector is going to be optimistic from both operations and taxation point of view. Retail businesses will grow more, thus contributing to overall growth of Indian economy. GST will remove total indirect taxes, increase supply chain efficiency and facilitate input tax credit. The end price for consumers will also reduce due to GST. Except some clauses, GST will promote retail sector in a huge way. It can be understood that by the passage of the Goods and Services Tax as a uniform tax rate. It will be considered as a very positive development in Retail Sector.

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Financial Inclusion (Role of Primary Co-operative Banks in Rural India)

V.L. Raju

Abstract

Primary Cooperative Bank can check each and every transaction of society and member of the Banks and also Loan disbursement, loan recovery – Daily, Weekly, Monthly, Half yearly and yearly.

Investment Type: Bank and shares wise investment entries calculation of each investment of the member.

Report – The report by the day book, cash book, simple balance sheet, groups balance sheet, trial balance sheet, profit and loss statement, trading account statement, NPA statement, DCBS (demand collection and balance statement) General Ledger, Balance List, Account Ledger.

Vision:

- a. Making administration, transparent and people oriented with means of administration reforms.
- b. Specification in administration with the mean of information technology
- c. Making the services available to the grass root level.
- d. Modernization in administration and providing satisfactory services.
- e. Extended financial facilities and small finance banks and specific the cooperative banks to be the leading representative body of the cooperative finance sector.

Policy –

- First bank of its kind in the country to educate the membership and leadership
- To promote saving culture in rural and create access to loans.
- To maximise shareholders value.
- Social and cultural values oriented services, integrity.
- Concern for community, team work, costconsciousness, customer satisfaction,
- Loan modules- short term and long term.

The co-operative banks in India play an important role in even today in rural financing. These are registered under the Co-operative Societies Act and also regulated by the RBI. They are governed by the “Banking regulation Act-1949” and Banking Laws (Co-operative societies) Act 1965.

Keywords: Forum; Investment; Agriculture; Co-Operation; Society.

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Introduction

1. The Cooperative Credit Societies Act, 1904 led to the formation of Cooperative Credit Societies in both rural and urban areas. The act was based on recommendations of Sir Frederick Nicholson (1899) and Sir Edward Law (1901).
2. Their ideas in turn were based on the pattern of Raiffeisen and Schulze respectively. The Cooperative Societies Act of 1912, further gave recognition to the formation of non-credit societies and the central cooperative organizations. In independent India, with the onset of planning, the cooperative organizations gained more leverage and role with the continued governmental support. Machlagan Committee in 1915, highlighted the deficiencies of in cooperative societies which seeped-in due to lack of proper education to the masses.
3. He also laid down the importance of Central Assistance by the Government to support the movement. The Royal Commission on Agriculture 1928, enumerated the importance of education of members/staff for effective implementation of cooperative movement.
4. Saraiya Committee, in 1945, further recommended the setting up of a Cooperative Training College in every state and a Cooperative Training Institute for Advanced Study and Research at the Central level.
5. Cooperative banks helped overcome the vital market imperfections and serviced the poorer layers of society. Indian Cooperative Banks was also born out of distress prevalent in Indian society. Central Committee for Cooperative Training in 1953, constituted by RBI for establishing Regional Training Centres. Rural Credit Survey Committee, 1954 was the first committee formed till then to first delve into the problems of Rural credit and other financial issues of rural society.
6. It was the idea of Hermann Schulze (1808-83) and Friedrich Wilhelm Raiffeisen (1818-88) which took shape as cooperative banks of today across the world.
7. They started to promote the idea of easy availability of credit to small businesses and for the poor segment of society. It was similar to the many microfinance institutions which have become highly popular in developing economies of today.
8. Central Committee for Cooperative Training in 1953, constituted by RBI for establishing Regional Training Centres. Rural Credit Survey Committee, 1954 was the first committee formed till then to first delve into the problems of Rural credit and other financial issues of rural society.
9. Primary cooperative banks provides services i.e. saving account and current account, safe deposit lockers, loan and mortgage to the members and business, customers.
10. Banking policies by the banking regulation act 1949, initiates, amendment, coordinates with the governments, correspondent with various state government on matters pertaining to amendment of state cooperative act, monitors cooperative credit societies wealfare.
11. These movements were supported by governments of the respective countries. This success was achieved due to the failure of the commercial banks to fund and support the needs of small business owners and ordinary people who were outside the formal banking net.

Objective of the Study

The primary objectives of the banks are rendering services to its customers/members/member-institutions by providing following various types of loans to the societies/individuals as detailed below.

The Bank obtains the funds by way of share capital from the members mainly from the affiliated societies and also from the State Government, increasing the reserve, mobilization of deposits from individuals and institutions and by borrowing loans from NABARD and State Government

- a. Short term (agriculture)
- b. Medium term (agriculture)
- c. Short term loan (others)
- d. Medium term loan (others)
- e. Long Term loan (others)
- f. Cash credit to Weavers Coop. Societies
- g. Cash credit to Consumer Co-operatives
- h. Cash credit to others
- i. Medium term loan to Salary Earners Coop. Societies

Features of Co-operative Banks

1. Commercial banks are joint-stock companies under the companies' act of 1956, or public sector bank under a separate act of a parliament whereas

co-operative banks were established under the co-operative society's acts of different states.

2. Commercial bank structure is branch banking structure whereas co-operative banks have a three tier setup, with state co-operative bank at apex level, central / district co-operative bank at district level, and primary co-operative societies at rural level.
3. Only some of the sections of banking regulation act of 1949 (fully applicable to commercial banks), are applicable to co-operative banks, resulting only in partial control by RBI of co-operative banks and

- The Credit-Deposit ratio followed by commercial and co-operative banks in Kerala is unfavorable to the overall economic growth of the State.

Scope of the Study

- Primary Agriculture cooperative Societies (or) Primary agriculture credit society formation was aimed primarily for sanctioning loan at micro level to promote various farming activities comprising local activities as well to generate jobs in the villages.
- Various state government and central government jointly extended their support to these societies which drive the agriculture movement across india.
- Over understanding of the scope is to develop a system software application covering the features as mentioned below and implement the same with proper training and guidance.

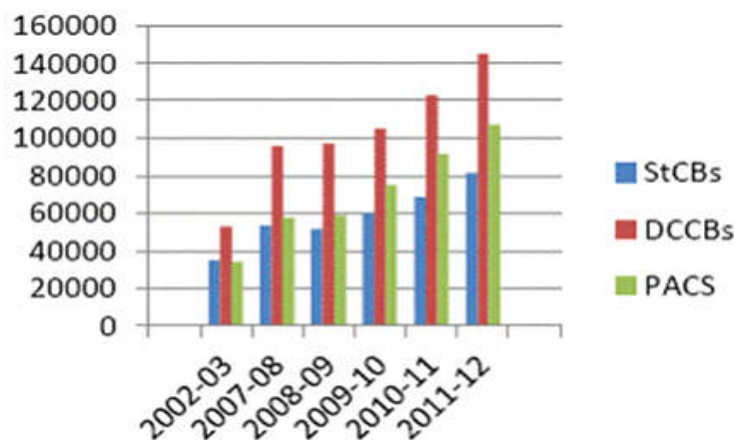
Hypothesis

- Primary Cooperative banks are playing a vital role in the economic development in India
- Non-Performing Assets are increasing affecting the profitability adversely

Results

Table 1: Institutional Credit to Agriculture: Relative Share of Different Institutions (Percent)

Year	Cooperatives	Scheduled Commercial Banks	Regional Rural Banks	Total Credit to agriculture _ Crore
1970-71	100.0	—	—	744
1980-81	61.6	38.4	—	3,292
1990-91	49.0	47.6	3.4	9,830
2000-01	39.4	52.6	8.0	52,827
2001-02	38.0	54.1	7.9	62,045
2002-03	34.1	57.2	8.7	69,560
2003-04	31.0	60.3	8.7	86,981
2004-05	25.0	65.0	10.0	1,25,309
2005-06	22.0	69.5	8.4	1,80,486
2006-07	18.5	72.6	8.9	2,29,400
2007-08	18.9	71.1	10.0	2,54,658
2008-09	15.3	75.8	8.9	3,01,908
2009-10	16.5	74.3	9.2	3,84,514
2010-11	16.7	73.8	9.5	4,68,291
2011-12	17.2	72.1	10.7	5,11,029
2012-13	18.3	71.2	10.5	6,07,375



Graph 1: Primary agriculture cooperate banks in rural, district, state

Table 2: Disbursement of agriculture credit since 1985-86 (Rs.Crore)

Item	1985-86	1995-96	1998-99	2000-01	2002-03	2010-11
Co-operative banks shrt term	2,787	8,331	12,571	16,564	20,247	N.A
Medium term and long term	1,087	2,148	3,386	4,220	4,049	N.A
Total	3,874	10,479	15,957	20,784	24,216	70,105
Commercial and regional rural banks	3,131	11,553	20,903	31,930	46,514	3,76,674
Grand total	7,005	22,032	36,860	52,714	70,810	4,46,779

Findings of the Study

1. The Reserve Bank of India published a first report of Indian government exclusively dealt with urban co-operative banks in 1961 entitled 'Report on the Survey of Urban Cooperative Banks (1957-58)', under the chairmanship of Dr. N.S.R. Shastry.
2. The report was the outcome of the recommendations made by the Bombay State Cooperative Banks' Association at the first conference of urban banks held in August 1957 in Bombay.
3. Governor of the Reserve Bank, a sample survey was conducted during 1958-59 jointly by the Economic, Statistics and Agricultural Credit Departments of the Reserve Bank and the field work was carried out through the regional offices of Agricultural Credit Departments (ACD) located in Bombay, Calcutta, Madras and New Delhi.

Suggestions

1. Primary-cooperative and rural area customers must be educated periodically by the primary cooperative banks to realize the importance of savings habit in the form of deposits
2. The primary cooperative banks should alert about qualitative performance for stakeholders for which they should create BEST [B=Behavioural, E=Economic, S= Strategic and T=Technical] managers and employees to 239 face future challenges.
3. To overcome from the crop up problems professionalism in bank, quality circle, training to all, performance based salary; proper financial analysis would be prime requisites in the modern day banking operations.
4. RBI should identify the places without bank facilities and help the people in those places to have a branch primary cooperative banks.

Conclusion

- The requirements for a director of such a bank were described by the Maclagan committee, which held that the work called less for technical skills them for ordinary probity and knowledge and should be well within the capacity of any professional man
- He needs only to have a general knowledge of money rates and to fix his own to produce a required margin of profit he should be careful to forecast the probable receipts and demands from societies
- The requirements for a director of such a bank were described by the Maclagan committee, which held that the work called less for technical skills them for ordinary probity and knowledge and should be well within the capacity of any professional man.
- The management of a district central cooperative bank is in charge of a board of directors elected annually, or in some case, triennially, on the basis of one member, one vole, at the general meeting, which is the ultimate authority in this and in other types of cooperative societies.

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Impact of Digital Marketing on Indian Consumers

T. Mahesh Babu

Abstract

The purpose of the study is to look into the opportunities of digital marketing. Here, Digital Marketing is the application of digital channels to promote or market products and services to consumers and businesses. This is the analysis that also explains about different channels of digital marketing. After the explosion of Internet, marketing strategy has taken an incredible root to reach out to the public. The digital marketing has shown cannot be match up with any other line of attack the retail sector in India is booming both on and offline that will create incredible growth. India is a relative latecomer to the online shopping revolution but it predicted that online sales would grow by 50 per cent annually in the next few years. There are many reimbursement of using digital marketing platform to market the company's products and services but there are some challenges that a marketer using the digital marketing strategy has to face.

Keywords: Digital Marketing Channel; Schizogenesis; Virtual Relationship

Introduction

Digital Marketing is the application of digital channels to promote or market products and services to consumers and businesses.

According to American Marketing Association, "The performance of business activities which directs the flow of goods & services from manufacturer to consumers".

Digital Marketing Channel

Multiple channels facilitate digital Marketing, as an advertiser one's core objective is to find channels, which result in maximum two-way communication and a better overall return on investment (ROI) for the

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brand. There are multiple online marketing channels available namely:

1. Affiliate marketing
2. Display advertising
3. Email marketing
4. Search marketing
5. Social Media
6. Social Networking
7. Mobile Marketing

There is a so many sources of digital marketing by approaching of ICT and IOT. The below are the sources of digital marketing in present scenario.

- Websites and SEO content
- Blogs
- Internet banner ads
- Online video content
- Pay-per-click (PPC) advertising
- Email marketing
- Social media marketing (Facebook, Twitter, LinkedIn, WhatsApp, Hangouts, Hike etc.)
- Mobile marketing (SMS, MMS, etc.)

Digital Marketing Scenario In India

India is the world's second largest internet population. After the explosion of Internet, marketing strategy has taken an inedible root to reach out to the public. The digital marketing has shown cannot be match up with any other line of attack the retail sector in India is booming both on and offline that will create incredible growth. India is a relative latecomer to the online shopping revolution but it predicted that online sales would grow by 50 per cent annually in the next few years. India is already the second largest nation of internet users with over 120 million and the rapid uptake of mobile. Social media is helping to drive the development of digital marketing. All the time more wealthy population of young internet sense customers is spending more time and money online and in doing so are influence-shopping trends. Along with the popular products online are books, consumer electronics, travel, financial services, apparel, and beauty care. Through this shopping activity is concentrated in major urban conurbations with Mumbai being the main centre followed by Delhi and Kolkata.

Digital India And Digital Marketing

Making smart by adapting the digital initiations are necessary for every society. Even India is also moving with the concept of Digital India" that is biggest step from the side of government for making the people smart in their daily activities. The concept was introduced on July 1st, 2015 by the Prime Minister. The initiative includes plans to connect rural areas with high speed internet networks. Digital India has three core components. These include:

- The creation of digital infrastructure
- Delivering services digitally
- Digital literacy

Table 1: Survey Results

S. No.	Impact of Digital Marketing	5 Star	4 Star	3 Star	2 Star	1 Star
1	Customer Feasibility	48	26	14	8	4
2	Brand Awareness	18	38	22	14	8
3	Virtual relationships	10	48	34	8	0
4	Expenditure	8	62	14	4	12
5	Accessibility	24	58	10	6	2
6	Growth	6	16	22	42	14

Materials and Methods

Research included gathering both primary and secondary data.

Primary data is the first hand data, which are selected a fresh and thus happen to be original in character. Primary Data was crucial to know the Impact of digital marketing.

Secondary data are those which have collected by someone else and which already have passed through statistical process. Secondary data has taken from internet, newspaper, magazines, and companies' web sites.

Objective of Study

Hence, these objectives were translate into three key focus areas -

- Focusing on importance of digitalization in marketing
- Find the impact of government policies in relating to digitalization.
- Understand the advantages and challenges in digital marketing.

Sampling Unit

It gives the target population that will sample. This research was carried in Sri Krishnadevaraya University campus and surrounding areas. These were 100 respondents.

Data Completion and Analysis

The tabulate and findings of the project were presented followed by analysis and interpretation to reach certain conclusions by after the data has collected. The table 1 shows the response of people about impact of digital marketing. This response is base on the satisfaction level after using the digital marketing. Here, level of satisfaction is impacted on stars like 5 star (Highly Satisfied), 4 Star (Satisfied), 3 Star (Good), 2 Star (Not Bad) 1 Star (Not satisfied).

Impact and Objectives By 2019

- Provided that Broadband in 2.5 lakh villages, (universal phone connectivity)
- Zero Imports by 2020
- 400,000 Public Internet Access Points (PIAP)
- Wi-fi in 2.5 lakh schools, all universities~ Public wi-fi hotspots for citizens
- 1.7 Cr trained for IT, Telecom and Electronics Jobs
- Direct 1.7 Cr. and Indirect at least 8.5 Cr. Jobs
- E-Governance & e-Services
- India to be leader in IT use in services health, education, banking.
- Digitally empowered public cloud, internet access

Advantages of Digital Marketing

Digital marketing has an huge scope to exploit the rural marketing in its promising stage in India. With the increase in number of internet users and increased sign up on social networks, we are witnessing a heavy penetration of digital media into the earlier unexplored segment of population. This opportunity not yet realized fully but definitely, in the coming years it would be one of the popular medium of marketing. In fact, the urban markets respond very well to the digital marketing techniques it can safely assumed that rural markets would follow. In adding together, the urban markets are now soaked, thus, marketers need a new place to channelize their resources and vigor.

The below are the advantages of Digital Marketing:

1. *Wider outreach to customers:* A product can advertised in any remote locations using digital media for marketing. This will give it more number of consumers to target with the available pool of resources.
2. *Active Feedback:* On ground, marketing has a major downside in terms of feedback to marketing strategy implemented. To analyze the customer's response to the product, more number of Man-hours is investing and most of the time it becomes tedious task to carry out the response surveys. In dissimilarity, digital marketing can easily keep a track of consumers who are interested or partly interested in product only by counting the number of clicks on the advertisements. Also, with use of modern software anyone can easily analyze the data and behavior patterns. Further, number of

bouncers can record and other techniques can implemented to bring them on platform too.

3. *Low cost of transportation:* The features that needs to be put-up at strategic locations needs to be transported from the head branches to the target location. Due to terrible roads and far-away placements of rural villages, it results in a very high cost of transportations. In case of digital marketing, this cost is down substantially. All the features can project on respective media through digital means that means no travelling concerned.
4. *More lucrative options:* Digital marketing methods are not limited space or time. Marketers can deploy lucrative means such as videos, audios, teasers, real-time analysis, etc. to capture the attention of the consumers in the segment. Compared to on-ground marketing where only few options are available, these methods have significantly more number of options to expand customers.
5. Digital marketing is considerably more affordable than traditional offline marketing methods. Like e-mail / social media campaign, for example, can transmit a marketing message to consumers for the nearest fraction of the cost of a Television ad / print campaign, and potentially reach a wider audience.
6. Conduct marketing digitally is relieved with which results can tracked and monitored. Rather than conducting expensive customer study, companies can quickly view customer reaction rates and measure the success of their marketing movement in real-time, enabling them to plan more effectively for the next one.
7. It is easy to collect the feedback reports or number of readers instantly unlike the traditional media like T.V, radio or hoardings. In online advertising users can themselves search for any product and grab the information related to that product on any website and can give their feedback instantly. This eventually helps the entrepreneurs to upgrade themselves in a specific domain. Moreover, you can make a long-lasting impact on your target viewers at a faster rate.
8. It helps in promoting a business through digital medium like internet or mobile thus reaching millions of customers in a moment. Many small and large businesses are following the strategies of online marketing to endorse themselves globally. It includes tools like SEO, email, RSS, pay per click, blogging, instant messaging, social media, video streaming podcasting and many more.

9. The digital marketer monitor things like what is to viewed, how often and for how long, sales conversions, what content works and does not work, etc. While the internet is the channel most closely connected with digital marketing, others contain wireless text messaging, mobile instantaneous messaging, mobile apps, podcasts, electronic billboards, digital television and radio channels, etc.
10. Digital marketing is sensibly priced, targetable, and assessable, and hence businesses do it and marketers love it.

Challenges of Digital Marketers

There are many reimbursement of using digital marketing platform to market the company's products and services but there are some challenges that a marketer using the digital marketing strategy has to face. The challenges are as follows:

- *Encouraging of Digital channels:* Providing of consumer preferences digitally which are used to multiple digital channels and a variety of devices that use different protocols, specifications and interfaces and they interact with those devices in different ways and for different purposes.
- *Escalating competition:* This is the required task to perform by every marketer by digital channels because digital equipments are comparatively cheap, compared with traditional media, making them within reach of practically every business of every size. With this, it is better to get the attention of Consumers.
- *Setting off data volumes:* Consumers is having an enormous follow of data in digital channels. It is very difficult to get a handle on all that data, as well as find the right data within exploding data volumes that can help you make the right decisions.

Digital Marketing Rules

Successful companies capture the power of digital word-of-mouth encouragement through these effective Eight Rules.

1. *Virtual relationships:* The world works on 24/7. The consumers with the disposable income have the least amount of time. However, they have high-speed Internet lines at home and at work. In addition, they want to buy what they want to buy

when they want it.

2. *Virtual Identification:* Consumers use their eyes in every purchase and they carry the image in their subconscious. Visual brilliancy costs a lot, but its value is invaluable. Your digital marketing must also be radiant.
3. *Allowing customer needs:* Success requires curiosity and courage, instinct, and a taste for the jugular. It requires the customers to look beyond simple answers and impulsive consumer rejection (the customer does not always know what they want...we must show them). Digital marketing allows you to show them.
4. *Focus on biggest fans:* Research supports the "rule of 2-20-80-150." The 2 percent of customers (apostles) are personally responsible for 20 percent of sales. However, when they advocate to friends and acquaintances they are responsible for 80 percent of sales (and up to 150 percent of a company's profits).
5. *Welcome customer's scorn:* A complaint is a gift (according to Toyota). 'Complain once, let me fix it. Complain twice, shame on me. Complain three times, and I should be replaced'. When the complaints are really bad, listen and get ready to change. Also, find out not only what your customers really, really want, but also when and why they really want it.
6. *Passionate Employee disciple:* Container Store calls this "man in the desert" selling... listening, helping, engaging, and suggesting. Passion generation knowledge, Knowledge equals solutions. Solutions work out into sales. It is so simple but so from time to time exercised. connect your employees in the digital marketing journey.
7. *Take giant leaps:* Continuous improvement, incremental advances, and consolidation never changed the world. To change the world, you must show foresight, fearlessness, and fortitude. Big wins require big dreams. Think big in your digital marketing.
8. *Schizogenesis:* The laws of schizogenesis mean that relationships are not stable. Brands are always moving up, up, up, or down, down, down. Therefore, companies must learn how to use quantitative metrics, track customers like the third leg of the Profit & Loss – Revenues and Profits, Share of the properly defined universe, and advocacy.

Conclusion

Here, I conclude, every marketer must understand the psychology of their target segment, so, that they can be a successful marketer in the days to come in the competitive economy. The Digital marketing which has revolutionized the economy in common and marketing in details pose many threats and challenges to the marketer in the competitive market. unreliable buying behavior require the marketers to know the youth in a better way to devise suitable marketing strategies to keep the present and to capture the potential market, so that the market can move on from the sheer customer oriented marketing approach to "Technological Customer Oriented Marketing Approach" in the near future.

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Word of Mouth Marketing (WOMM) in Digital Age

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Abstract

The most successful brands in the world today focus on delivering a better customer experience. Marketers have to ensure they have the right technology and customer data to allow them to deliver the right content and experiences across all the channels. While the present age consumers are flooded with wide variety of choices, the marketers are struggling to establish, stand out and deliver value to them. Marketing expenditures are increasing exponentially to discover ingenious ways for the products to reach, appeal and find their way to the customer's shopping carts. With myriad complex touch points in a decision journey for customers that is constantly changing, tapping into the trends is a must for marketers and brands to win. Despite many available channels to connect with targets, reaching new prospects and converting them to sales figures is not synonymous.

Marketing covers tactics from print advertisements to online strategies, to massive campaigns. One tactic that is often overlooked, is "Word of mouth marketing". Word of mouth marketing (WOMM) has been one of the most primitive promotional ideas practiced by marketers. This is based on the principle of pull marketing. The very basic and simplistic idea of WOMM (also referred to as "word of mouth advertising") is that customers do the advertising for businesses.

Every successful marketing platform/campaign, has been centred on the idea of getting the customers to talk about the brand/product. Word of mouth marketing is a powerful way to generate buzz for a business of any size and nature. Especially with today's new technology of email, Twitter, Facebook and Instagram, when one person starts talking about a brand, more and more people tend to join in. It's the age-old tactic of "bandwagoning." When people hear good things about a business, they feel inclined to join in the conversation. According to report by Nielsen, 92% of consumers trust recommendations from their friends or family more than any other form of marketing.

One of the greatest misconceptions about word of mouth marketing is that it's all new and happening online. The role of the internet and the new ways people use it to communicate are indisputably critical components of the sudden spread of word of mouth. Blogs and social media are a big deal because they empower lots of people to share ideas. But that's only a part of it – only about 20 percent of word of mouth happens online. The majority of word of mouth conversations actually happen face-to-face.

This paper aims to study the concept of WOMM, its nature and evolution over the years. It also discusses the effectiveness of WOMM through examples and explores a new approach to effectively deliver value to customers using WOMM.

Keywords: Consumer; Word of Mouth; Marketing Function.

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Introduction

The rise of new technology and media, the complexity and growth in sales and service touch points, the fragmentation of customer segments and changes in the customer purchasing behaviour,

have all brought the marketing-function a seat at the executive high table. It has become a strategic growth driver rather than a mere communication engine.

In the era of deep customer engagement, customers no longer separate marketing from the product. They don't separate marketing from their in-store or online experience. It is the experience that drives the purchasing decision. To engage customers whenever and wherever they interact with a company, be it a store; on the phone; responding to an e-mail, a blog post, or an online review; marketing must pervade the entire organization.

But the volume of information available today has dramatically altered the dynamics. As consumers have become overloaded with information, they have grown increasingly sceptical about traditional company-driven advertising. The biggest shift in today's marketing world is the change in how consumers research and buy products, and as result weigh low on the traditional "push marketing" strategies that are based on the idea of 'taking the product to the customer through all possible channels of media and distribution'.

It is in this context Word of mouth (WoM) marketing, known to be one of the oldest forms of "pull marketing", takes centre stage. WoM can prompt a consumer to consider a brand/product in a way that incremental advertising spending simply cannot. The right messages resonate and expand within interested networks, affecting brand perceptions, purchase rates, and market share. The rise of online communities and communication has dramatically increased the potential for significant and far-reaching momentum effects. The flexibility of WoM equity allows us to gauge the word-of-mouth impact of companies, products, and brands regardless of the category or industry. There's an appealing power and simplicity to this approach, but also a challenge: it's difficult for marketers to account for variability in the power of different kinds of WoM messages. Having realized its influence on consumer behaviour, more and more companies are moving away from traditional marketing strategies and opting for including word-of mouth in their marketing mix.

Objectives

This paper tries to discuss the following.

- The concept of Word of Mouth (WoM) Marketing and its characteristics
- How WoM Marketing works?

- Reasons to adopt WoM Marketing
- Successful WoM Campaigns
- Negative WoM along with examples
- Suggested Approach

Literature Review

The history of marketing can be traced back to the beginning of trade and commerce itself. Going even further, it wouldn't be a stretch to say that marketing establishes its roots in the very history of human communication. When new ways of transferring information are discovered, they are quickly adopted to promote, improve, and facilitate the transfer of goods or services.

Word-of-mouth has been around, well, since cavemen roamed the earth. The first tool used by the prehistoric marketers was language, voice and primitive tools. It is said that word-of-mouth has always existed since a human first pointed to a cave painting to share the location of a good hunting ground with his family. One can imagine that, in the early days of human civilization, marketing was primarily through word of mouth. The location, quality, price, and availability of a certain product or service could be only learned by direct verbal contact with the actual purveyor, or someone who had been in their direct contact. WoM became a scientific term only after the rise of positivist communication research in the US following World War II.

Even today, it is common practice that when consumers want to purchase a product or service, they tend to seek information from family members, friends, and others. It is considered the most favoured and trusted source of information. However, technology has increased social connectivity making it easier than ever for consumers to do marketing.

Word-of-mouth Marketing can be defined as a form of communication among consumers based on their personal experiences and impressions of a product or service, and is non-commercial in nature. Word of Mouth Marketing Association (WOMMA) has defined word-of-mouth as "the act of a consumer creating and/or distributing marketing-relevant information to another consumer."

WoM marketing can either be organic or amplified. **Organic WoM** occurs naturally when people become advocates because they are happy with a product and have a natural desire to share

their support and enthusiasm. **Amplified WoM** occurs when marketers launch campaigns designed to encourage or accelerate WoM in existing or new communities.

The earliest edition of Kotler's (1967, p. 456) marketing management textbook acknowledged that 'advertising is one of several influences on a person's behaviour and probably less important than such influences as peers and personal observation' - as it is known to be self-serving.

Every day, individuals are exposed to television commercials, print ads, radio ads, billboards on buses, roads, and buildings, telemarketers, direct mail, salespeople, Internet brochures, and other commercial messages. According to Silverman (2001) an individual is exposed to about 200-1000 sales communications a day. In addition, advertising experts estimate that each customer is exposed to more than 1500 ads every day. Basically, consumers filter the messages they show interest in. It is definitely easier to listen to their friends. According to Stern (1994) Word of Mouth differs from advertising in its lack of boundaries.

In 1955, Katz and Lazarsfeld found positive WoM seven times more effective than newspaper and magazine advertising, four times more effective than personal selling, and twice as effective as radio advertising in influencing consumers to switch brands. In 1983, Morin uncovered that referrals from others accounted for three times as many purchases as did advertising when consumers were asked what factors influenced their purchases of 60 different products. According to Sheth (1971) WoM was more important than advertising in developing awareness of an innovation and in securing the decision to try the product.

Characteristics of Word of Mouth Marketing

Word-of-mouth is a powerful communication tool due to the following characteristics

- *Credibility*: Consumers tend to ask people who have already experienced or tried the product before the purchase. It permits the consumers to share their opinions, independent of manipulation. Research indicates that personal sources encourage people to use the product or service because they are perceived as being credible or knowledgeable on a specific topic.
- *Customer experience delivery*: When an individual is about to purchase a product, he wants to try the product, and wants to get low-risk and real

world experience when using it. What gives word-of-mouth most of its power is the fact that it is an experience delivery mechanism, to share the one's experiences.

- *Exponential diffuse effect*: When the customers share experiences, the recommendations can snowball, resulting in runaway success. It can determine the speed of product adoption because the quicker consumers can get experience, the quicker they will be able to adopt a product or service. WOM creates "Network effects", a term in economics, meaning that some things are made more valuable if more and more people use them. Not that the items have more uses, but rather that more people are using them.
- *Interactive and bi-directional*: it permits tailored flow of information to information seeker.
- *Persuasive Nature*: This stems from its credibility
- *No Boundaries*: WOM operates across all industries. We have assumed thus far that management's focus is only on WOM between consumers. This need not be so. It can exist in different market domains such as the suppliers, alliances etc
- *Relevant, timely and saves money*: It is easier for consumers to let other people cut through the information clutter, process and refine it, filter it, tell what is the most important, or what to pay attention to, in order to benefit from others' experiences and thus save time.
- *Part of the product*: The recommendation by experts, whether an unsolicited testimonial or a paid endorsement, becomes one of the product's attributes or features.
- *Feedback*: WOM gives the receiver a unique opportunity to provide a feedback, allowing product development and significant data on consumer behaviour, thus, creating a connection between the brand and the consumer.

How Word of Mouth Works

WOM is the connectivity that drives all marketing efforts of a business into actions in terms of sales.

Sernovitz defines 5T's of WOMM as

- *Talkers*: finding consumers who will talk about the products or services. In every consumer base, there are loyal customers who will continually support products and services that they genuinely

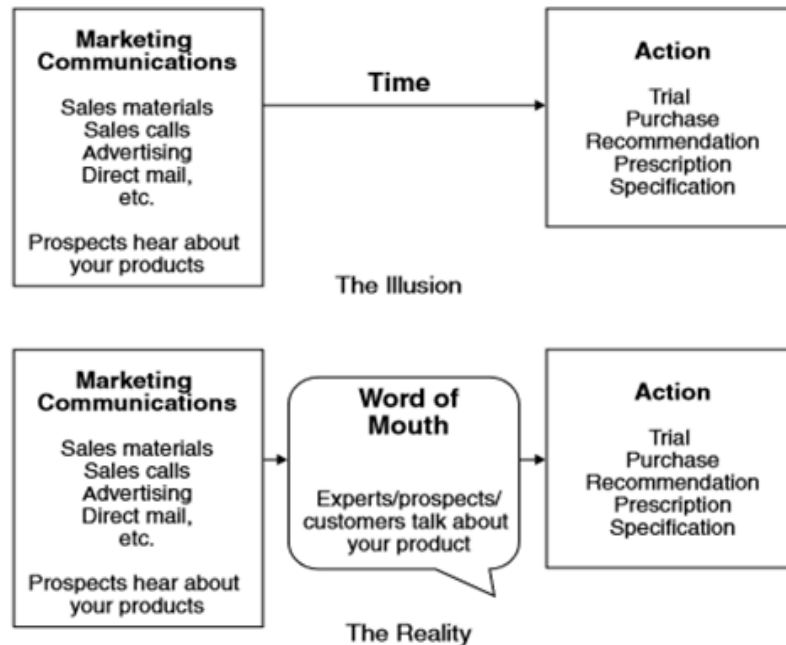


Fig. 1:

like. Talkers are basically the advocates of the brands/products.

- *Topics:* giving them a reason to pass along the word. It can be a new product, exclusive offers, socially-relevant issues, thought provoking concerns that customers relate to.
- *Tools:* providing them the tool to spread the message faster. This can be free samples, brochure, brand's website, and online communities.
- *Taking Part:* joining their conversation. This can include replying to the mails or queries, letting customers personally try and experience the product.
- *Tracking:* listening to them, measuring and interpreting the information from the customers. These metrics can be sales volume; test market, control market; tracking conversational reach and outcomes. Feedback can be considered as a means of updating the products/services.

Where and how does it start?

- *Experiential:* Dialog resulting from a consumer's direct experience in using a product/service. This is the most common and influential form and accounts for 50-80% of all word-of-mouth activity.
- *Consequential:* The discussion as a result of brand's marketing activities. This occurs when the consumer relays the message in traditional advertising, which often carries more weight than the ad itself.

- *Intentional:* Dialog originating from an influencer chosen to speak for the brand, often a celebrity or a top blogger. This form is less common.

It is interesting to note that the new tools provided by the Internet allow customers to communicate not only with people they know but also with total strangers. Individuals are now able to spread the word to the rest of the world. E-mail exchanges, chat rooms, Web sites and other forms of Internet communications are responsible for creating and spreading word-of-mouth information. However, most of WOM conversations still predominantly take place face to face. 93% of WoM brand impressions occur offline.

Why Word of Mouth

Word-of-mouth plays an important role in the purchase process of many products and services.

1. There are 500,000,000,000 brand impressions each year generated by Word-of-mouth according to Forrester research.
2. According to Nielsen, 92% of people trust recommendations from friends and family over any other type of advertising.
3. According to Travel Industry Association, 43% people cited friends and family as a source for information about places to visit or flights, hotels or rental cars
4. A study conducted by MarketShare provides concrete evidence that word-of-mouth about

brands directly drives sales up to 54%, by amplifying the impact of advertising and marketing of all kinds.

5. Movies are driven by word-of-mouth. 53% of moviegoers rely on a recommendation from someone they know, according to a study by Maritz Marketing Research.
6. 70% of Americans rely on the advice of others when going to a new doctor.
7. WoM also works for recruiting, even for those you may not know well, but have met through networking. In fact, a survey by Career Choices shows, 60% of former job hunters found a new role through networking. In the case of professional services such as physicians, lawyers, certified public accountants, many rely on informal information channels such as WoM.
8. In all phases of product lifecycle, WoM can be used in order to attract new consumers and create

brand-advocates. When promoting a product, creating a buzz or capturing consumer reaction is among word-of-mouth objectives. The quicker consumers can get experience, the quicker they will be able to adopt a product or service.

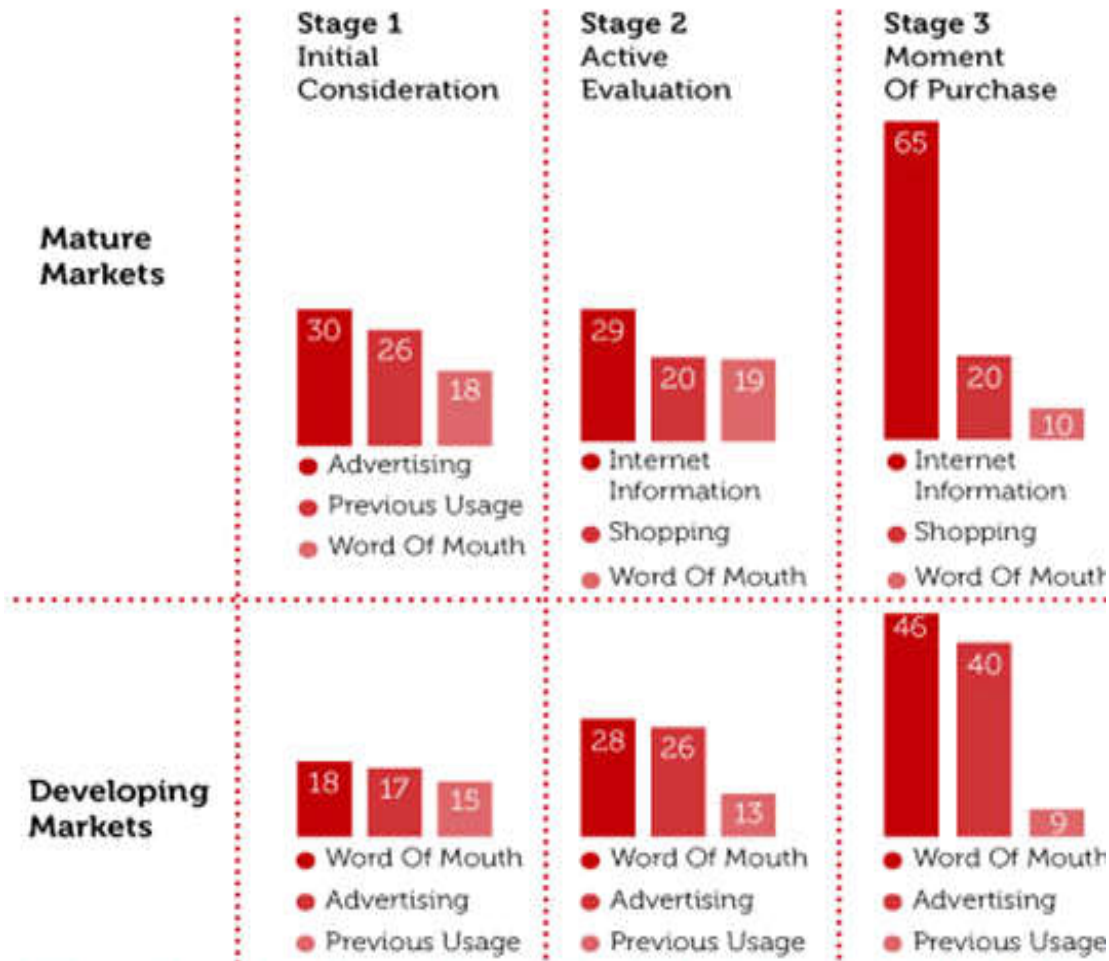
WOM can also Increase Brand Loyalty and Brand Trust

Successful WoM campaigns

Tesla

Tesla as a company doesn't make sense on paper. It is impossible for a company that has consistently failed to meet production targets and burns through billions of dollars a year, to have a market cap of nearly \$60 billion. If it were any other company, investors would clamour for a C-suite overhaul, or increased accountability. But Tesla is more than just a car manufacturer; it's a vision of the future. Elon

Fig. 2: Top 3 Factors that influence whether a product is considered



Musk, has become the face of the brand since its founding. He is noted for his active presence on social media platforms to draw attention towards scientific innovation. Unlike traditional automakers like Ford and GM, Tesla doesn't have a massive advertising budget or multinational marketing campaigns. Instead, Tesla relies on word-of-mouth marketing. This works because of Tesla's tremendous brand loyalty. In 2017, when Tesla was hit with negative publicity involving a Model S fire, Elon Musk was quick to address the issue in a blog and other social media channels. Tesla even published email correspondence with the Model S owner whose car caught fire, so the public might better understand what happened. Because of this transparency, customers feel like they have a personal relationship with Tesla. In fact, Tesla Motors received the highest owner satisfaction score in Consumer Reports' annual survey 2017. According to the magazine, "Owners of the Tesla Model S gave it the highest owner-satisfaction score: 99 out of 100.

Ice Bucket Challenge

The most famous word-of-mouth marketing campaign of 2014 was inception with minimal financial investment to raise awareness about Amyotrophic Lateral Sclerosis (ALS), a progressive neurodegenerative disease. The trend became a global rage between July and August 2014 with the ice bucket challenge. The fundraiser encouraged audience members to pour a bucket of ice-cold water on top of themselves, capture the event on camera, post it to a social media site, and encourage others to perform the challenge. A donation was also encouraged, although the challenge itself was the main emphasis of the campaign. Not only did the campaign receive a lot of WoM advertising across globe, with even celebrity participation, but it also proved effective by raising over \$115 million in donations.

Star Bucks

Starbucks, now a \$1.4 billion company, is a global Goliath and it owes its fame, not to traditional marketing but word-of-mouth advertising. Starting with a single, modest store in Seattle in 1971, it has now multiplied into 15,000 outlets in 50 countries. Starbucks' WOM strategy focused on providing high quality coffee, excellent customer experience, and a comfortable "third home" feel for customers. Starbucks deliberately avoided investing in traditional forms of marketing to discourage one-

way communication, and to create a better sense of community amongst its customers. Since the arrival of the digital age, Starbucks has been very active online, extending their sense of community through social media channels, creating a fully interactive platform. They also have site called 'My Starbucks Idea', to allow anyone to submit their ideas, suggestions and feedback to help develop the brand and improve the service.

Dettol

Reckitt Benckiser's Dettol, a liquid antiseptic that has been around since the 1950s, known as Lysol in the U.S., was struggling to grow in China. Furthermore, its TV ads weren't building the kind of brand awareness needed. Dettol was initially sold only in huge bulky bottles, seemingly unsuitable for daily use. It was used mostly for cleaning floors and laundry, limiting its usage. Reckitt Benckiser took that as an opportunity and adapted its products, by producing smaller bottles of disinfectant to create new behaviour patterns for using Dettol for small, everyday things. These were packaged into small "experience kits", with a leaflet of tips on how to use Dettol in everyday activities. The company distributed 48,000 samples to 4,000 influencer moms, each received one kit for herself and 10 more for her friends. The campaign was a massive success, reaching 46% of the brand's target audience. In five months, brand awareness increased five times, purchase doubled from 21% to 42%, and sales increased 86%.

Make a Wish Foundation

One of the most effective ways to use word-of-mouth marketing is focusing on the "emotional" side. People are more likely to share a brand experience that makes them feel something. Whether that feeling is sad, angry, happy, empowered, or excited; emotions drive us into action. Make-A-Wish Foundation is well-known for its dedication to grant wishes to children facing life-threatening illnesses. The non-profit organization on November 15, 2013, created one of the largest and compelling event for Miles Scott, a 5-year-old Leukaemia patient, who wished he could be the superhero, Batkid, for one day. The event was a great success with participation from former U.S. President Barack Obama and other government officials. As a result of its extraordinary word-of-mouth campaign, Make-A-Wish received 1.89mn social impressions, 555,697 #batkid hashtags, significant press coverage, more than 21,683 Instagram and Twitter photos posted, translating into increased donations.

Negative WoM

The pitfall about word-of-mouth is the fact that dissatisfied customers tend to spread their negative experiences to more people, than they do when they have positive experiences. Research shows that when an individual has a positive experience, he tells three people about it, and when he has a negative; he shares it with seven other people. Negative WoM has a stronger effect than positive WoM on consumers' probability of purchase and attitudes towards a product and the company. Negative WoM specifically in social media has the power to destroy the reputation of a company, built-up over years of toil, in no time. Some of the cases in which WoM had negative effects are as follows.

Dominos

Domino's Pizza is one of the world's leading pizza chains, with over 8,700 stores in more than 50 countries. In 2009, two Domino's employees posted a video of unsanitary and repulsive food handling practices conducted in a store. Dominos chose to adopt a "wait and see" approach and did not immediately address the growing fervor over the negative social media campaign that developed around this video. Within approximately 24 hours, there were more than a million views of the video on YouTube, with 5,000 comments on the video; negative discussions were also spreading on Twitter. The brand image of Domino's Pizza was tarnished quickly as the company took time to develop a response. Patrick Doyle, the CEO, responded with an apology two days after the video was posted, by which time the brand was damaged. A national study by HCD Research found that 65% of respondents who would previously visit or order Domino's Pizza were less likely to do so after viewing the video.

United Airlines

In 2008, Canadian musician Dave Carroll was forced to check-in his \$3,500 custom Taylor guitar instead of carrying it in the passenger cabin, only to have his instrument tossed around and severely damaged. The airlines dodged Carroll's complaint for nine months. After the company had refused, on email to pay \$1,200 for repairing the guitar, Carroll decided to write three satirical songs about his experience and uploaded them on YouTube in July, 2009. The tune, "United Breaks Guitars", had over 3.6mn hits in four days, which finally induced

the airlines to offer some compensation. This episode of bad public relations has certainly had an effect on people's decision in choosing an airline. The BBC reported that United's stock price dropped by 10% within three to four weeks of the release of the video, a decrease in valuation of \$180 million.

In 2017, security officials dragged passenger Dr. David Dao off United Express Flight 3411 from Chicago to Louisville, Kentucky. As a result of rough treatment, Dr. Dao was hospitalized. The incident, which passengers filmed on their smartphones, escalated into a public relations scandal for United Airlines. Subsequently, United's stock fell 1.1%. This plunge wiped out \$255 million of the airline's market capitalization.

Suggested Approach

Marketers all through have focused on the 4 P's: Price, Product, Promotion and Place. But to create a memorable brand experience the focus has to be on the 3 E's: Engage, Equip, Empower the customer. There is an inherently creative element to the process that must be artfully and uniquely applied to each brand. The right strategy can raise the value of the company, but it doesn't just happen by itself. This paper suggests an approach that has the following features.

1. *Target audience:* Understanding the audience is key to any marketing strategy. The more we know about the users and buyer personas, the more we can craft products, experiences, services, and marketing campaigns that focus on their unique preferences and needs. Customers like to feel as though they're getting something tailor-made for themselves
2. *Unique product/service proposition:* The starting point for managing word of mouth is understanding which dimensions of word-of-mouth equity are most important to a product category: the who, the what, or the where attributes. To turn consumers into an effective marketing vehicle, companies need to outperform on product and service attributes that have intrinsic WoM potential. For brand to become truly exceptional, it should be something that's memorable, a one-of-a-kind product or a quirky culture or emotional touch. Word-of-mouth can't be faked or invented for a product.
3. *Strong content:* Across most product categories, it is found that the content of a message must address important product/service features, if it is to influence consumer decisions. In the

mobile-phone category, for example, design is more important than battery life. In skin care, packaging and ingredients create more powerful word of mouth. Give them reasons to talk. It can be amazing products, great service, insider knowledge, social elevation, incredible stories, unbelievable facts or even funny disclosures.

4. *Connecting with influencers*: the word-of-mouth receiver must trust the sender and believe that he/she really knows the product or service in question. Influencers typically generate three times more word-of-mouth messages than non-influencers do, and each message has four times more impact on a recipient's purchasing decision. About 1% of digital influencers are bloggers.
5. *Creating platforms and involving networks*: The environment where word of mouth circulates is crucial to the power of the messages. Typically, messages passed within tight, trusted networks have greater impact than those circulated through dispersed communities. Make it easy for customers to advertise. Get them involved with your company through polls and questionnaires. Encourage them to share opinions with reviews and testimonials.
6. *Respond*: Engage customers in a host of different ways. Respond to them on social media, interact with them through podcasts, and even send them regular email updates. Listen to what they are telling you. Be part of the conversation about your brand. Be a presence in your fans' lives. All this engagement is essential for a strong ongoing brand relationship.
7. *Monitor*: The flexibility of word-of-mouth is that we can gauge the impact on companies, products, and brands. And because it measures performance rather than the sheer volume of messages, it can be used to identify what's driving – and hurting the word-of-mouth

impact. Both insights are critical for marketers to estimate the tangible effect word of mouth has on brand equity and sales.

Conclusion

The rewards of pursuing excellence in word-of-mouth marketing are huge, and it can deliver a sustainable and significant competitive edge, and to realize higher returns on their marketing investments. The quality of product and service is a precursor to fuel the word-of-mouth engine. The beauty of WoM is that it works for businesses of every size and nature. The present age social media and connectivity will further facilitate in harnessing the power of WOM unconstrained by geographies. It is important for businesses to study and measure how marketing activities work to create customer responses, which activities trigger positive WoM and what aspects create a negative WoM.

Word-of-mouth marketing is not a bag of tricks that can be slipped into the standard marketing mix. Word of mouth isn't a one-shot deal. It's a commitment to a new way of thinking at all levels of the organization. We need to create situations and events that will cause the word-of-mouth to start, then spread like a wildfire. Everything in the rest of your marketing mix should fan the flames.

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3. <http://www.nielsen.com/in/en/insights/reports/2015/global-trust-in-advertising-2015.html>.
4. www.womma.org.

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Standard journal article

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