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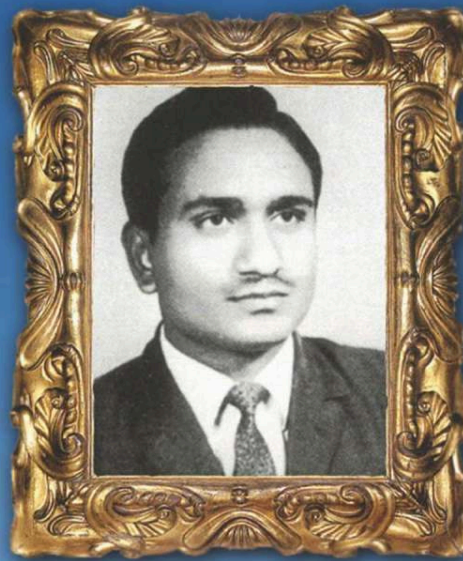
◀ Opinion

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A TRUE VISIONARY

*“You see things and you say **Why?** But I dream of things that never were and say **Why not?**”*

- George Bernard Shaw



Shri Jagannath Gupta
(1950 - 1980)

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Editor's Desk

A recent report by Equentis Capital, pegs the size of the health care sector at 78.6 billion USD. The sector currently employs 4 million people but to cater to the growing population of India, it needs to grow to a size of nearly 100 billion USD (around 10% of the potential GDP). It is believed that the major driver of this sector is likely to be medical tourism. In 2012, the medical tourism sector was valued at 10.5 billion USD worldwide and is expected to reach 32.5 billion USD in 2019. Medical Tourism is a term which is used to describe the rapidly growing practice of travelling across the international borders to seek healthcare services. Some of the other terms used are medical travel, global healthcare and health tourism. While India occupies certain unique advantages in terms of having highly qualified medical personnel, cost advantages, availability of corporate hospitals and English speaking skills, it managed to attract only 3,50,000 medical tourists in 2012 compared to 1.2 million in Thailand, and 6,10,000 in Singapore. Thailand is one of the biggest destinations for medical tourism with Singapore, catching up fast, even though the medical costs here are comparable to USA. Unlike other services, for example, IT services, medical tourism is a service, for which government encouragement and regulation both are required. One of the stumbling blocks is the cumbersome visa application process which involves submission of various documents and requires a second opinion by the Indian embassy doctor. Experts also believe that if the infrastructural bottleneck improves, it could further provide a push to the medical tourism in India.

Some of the steps that can be taken to encourage the growth of the sector could be:

Perception Change: Use branding and advertising tools to change the perception that Indian medical facilities are medieval and that the hospitals are ill equipped and unhygienic.

Improve the Quality: The perception change should be backed by actual improvements in the quality of service offered. Since healthcare is a credence service, it is imperative that hospitals which want to attract medical tourists, get themselves accredited through independent third party rating agencies.

Quick Legal Remedy : Simplify the laws in order to provide quick legal remedy in case of any medical-legal issues. The government also needs to make sure that its laws and policy regarding the medical treatment are clear, without any legal loopholes in order to prevent the rights of both the patient and community.


(Ravi K. Dhar)

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CELEBRITY ADVERTISING IN INDIAN VISUAL MEDIA

S. Thiagarajan★ P. Shanthi★★

This present study explored the effectiveness of the Indian celebrities in product endorsement/promotion and the association between demographic variables and celebrity endorsements. The research sampled 290 respondents from in and around Chennai. Frequency, Mean and Chi square statistics were used to analyse the data. Results show (1) Sachin Tendulkar is the most effective celebrity, (2) Soft drinks and Two Wheelers/Cars are the most effective products endorsed/promoted by celebrities and (3) Respondents across the board feel that these celebrities are effective in promoting the products.

The scenario in the Indian media is going through a major transformation in the last decade, particularly in relation to celebrities promoting/endorsing products. McCracken (1989) defines a celebrity endorser as “an individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement”. The visual media of today is glutted with advertisements featuring one celebrity or other from various field, nationally or internationally. The percentage of television commercials worldwide featuring a celebrity has doubled to about 17 % in the past decade (White, 2004; Money et al., 2006) and Celebrity endorsements have become a prominent strategy in modern marketing throughout the world (Agrawal & Kamakura, 1995; Belch & Belch, 1998; Erdogan & Baker, 2000; McCracken, 1989; Money et al., 2006; Till, 1996; Till & Shimp, 1998).

This has almost become the trend of the time with celebrities from sports, films, politics and industries endorsing/promoting single or multiple brands. Film stars believe that this is a way to be visible (Segrave, 2005) and stay in the minds of the viewers so that their popularity is retained. In fact, one in four advertisements features a celebrity endorser (Market Watch, 2006). Even if the percentage of celebrity advertisements remains the same as before, it seems safe to assert that celebrity endorsements have become more prevalent because there are far more television ads in the modern period than in the past (Segrave 2005).

These celebrity promotions come at a high cost and at the end of the day it is the ultimate consumers who end up paying for the lavish promotions strategies of the companies. Many marketers believe that using celebrities help in reaching better and attaining a break through (Dyson & Turco, 1998; Erodgan & Baker, 1999; Charbonneau & Garland, 2005). What do the consumers who pay for these advertisements think about the effectiveness of these celebrities who promote various products?

I. Review of Literature

Celebrities are roped in by advertisers so that their personality can be used on a product or brand (Kaikati, 1987). Celebrities have been found to produce more positive responses toward advertising and greater purchase intentions than a non-celebrity endorser (Atkin & Block, 1983; Petty & Cacioppo, 1984). A study on the likability of celebrities and non celebrities showed that celebrities are liked more than non celebrities (Friedman & Friedman, 1979). Celebrity endorsers represent an effective way of conveying the meaning to brands (McCracken 1989) and are effective endorsers because of their symbolic inspirational reference group associations (Assael, 1984; Solomon & Assael, 1987). Kaikati (1987) enumerates the following advantages of employing celebrities to endorse products drawing attention, crisis management, brand repositioning, global marketing, and boosting sales.

Likability of a celebrity is given priority while narrowing down to a celebrity to endorse a product. Advertisers use celebrities as they heighten the appeal of ads and are believed to enhance audience attentiveness, make the ad memorable, credible, desirable and add glamour to the product (Spielman, 1981). Benefits associated with the use of endorsers also include enhancing believability of the ads (Kamins et al., 1989), creating and differentiating product images (Friedman & Friedman, 1979, Kamins, 1989) and increasing brand loyalty (Bush et al., 2004). Celebrities have the ability to hold the viewer’s attention and it also help to penetrate the clutter of the advertising spots (Miciak and Shanklin, 1994). When a single celebrity is used in an advertisement the consumer association with the product

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also increases. Multiple celebrities endorsing single product could be beneficial for attracting different target audience (Hsu, McDonald, 2002). This may also help in reducing the boredom of the target audience (Erdogan & Baker, 2000). Previous research examining endorser effectiveness has primarily focused on credibility of the model (Hovland et al., 1953; Hovland & Weiss, 1951; McGuire, 1968) and the attractiveness of the model (McGuire, 1985).

Studies have found that favourable evaluation of advertisements happen when models are attractive or found to be attractive by the viewers (Chaiken, 1979, Joseph 1982, Kahle & Homes, 1985). Physical attractiveness of a celebrity enhances the credibility and attitude of consumers toward the advertisement, especially for an attractiveness related/cosmetic product (Kamins, 1990). Positive evaluation of an advertisement or and product happens when attractive models are used in the advertisement (Kahle & Homer, 1985), there is some contrary evidence also (Ohanian, 1991), which suggests that physical attractiveness may not be especially significant. Some authors argue that the perceived expertise of a celebrity endorser is one of the most persuasive elements of an advertisement and it effects the purchase decisions of the consumer more than the attractiveness of the celebrity endorser (Ohanian 1990; Horai et al., 1974).

Marketers feel that Celebrity advertisements can accomplish many objectives. Celebrities in advertising create an identity for a brand or product that relates to or is inferred by the spokesperson (Farrell et al., 2000). With improvement in technology in recent times celebrities have become more prevalent in society (Bush et al., 2004). The celebrity opinion in an advertisement can have the power to influence the perceptions and attitudes of an audience. To influence consumer brand choice behavior the popular choice is Celebrity Endorsements (Alsmadi, 2006). There are many models available in past literature on selecting a celebrity for endorsement/ promotion (Johansson & Sparredal, 2002; Ericsson & Hakansson, 2005; Ohanian, 1991; Shimp, 2007; Bergstrom & Skarfstad, 2004; Osorio, 2002).

Balakrishnan and Kumar (2011) found celebrity endorsers do increase the information quotient among consumers and motivate them to purchase durable products. Celebrity and product fit, also known as congruence plays an important role in effectiveness of a celebrity endorsement (Friedman & Friedman 1979; Kamins 1990; Kamins et al., 1989; Till & Busler 2000; Erdogan et al. 2001; Batra & Homer 2004; Hsu and McDonald, 2002). Meaning there is an effect of product type where a celebrity can be very effective for certain products and be useless for certain

others and this was supported by McCracken (1989). Therefore, the better the fit between the celebrity and product the higher is the effectiveness of the advertisement. Many researchers (Kahle and Homer, 1985; Kamins, 1990; Kamins and Gupta, 1994; Misra and Beatty, 1990) have attempted to reveal the effects of celebrity and product congruence on the credibility of the celebrity endorser in respect of the product or brand advertised.

Celebrity endorsement has transcended borders from United States to other countries (Money et al., 2006), New Zealand (Charbonneau & Garland, 2005; Garland & Ferkins, 2003), South Korea (Ferle & Choi, 2005), Turkey (Yilmaz & Ersavas, 2005), and India (Roy, 2006; Shanthi & Thiyagarajan 2012). In Japan, celebrity advertising is extremely popular and about 70% of all commercials feature famous people (Kilburn, 1998). The same phenomenon is also happening in China (Wang & Ma, 2004).

According to Dhotre and Bhola (2010) Amitabh Bachhan is a perfect fit for celebrity endorsement/promotion. In India he has been one of the most preferred celebrity endorser for many brands. Advertisers believe he reaches across all demographic, psychographic and geographic boundaries and cuts across the barriers of age, income, region and language. That is the reason why every marketer wants Amitabh to be associated with their brand. He has so far endorsed more than 60 advertising campaigns (www.magindia.com).

II. Research Design & Methods

The aim of the research study is to see the effectiveness of Indian celebrities in product endorsement/promotion and the association between demographic variables and celebrity endorsements. A questionnaire was developed for this purpose which had questions where the respondents were asked to recall the names of the product and brand promoted/ endorsed by the celebrities (with names). In the second part products were given and respondents were asked to name the celebrity promoting/endorsing the product. The last part of the questionnaire had some demographic questions. The questionnaire was circulated to 300 respondents out of which 290 was found to be complete and appropriate for the study so the sample size for the study was fixed at 290 and the data was collected from television watchers from in and around Chennai city. Due to time and monetary constrains the study was restricted to Chennai City alone and to a sample of 290 only. The celebrities and products promoted by celebrities included in the study were selected after a rigorous exercise of watching the visual media (English, Hindi and Vernacular,

Movie Sports, News and Entertainment) for a period of 4 weeks and all the celebrities involved in advertising and products promoted by celebrities that were commonly aired in all the channels during the observation period were included in the study. A pilot study was conducted on a sample of 10 research scholars to check for the practicability and viability of the questionnaire.

III. Results & Discussion

From the table 1 it can be said that Sachin Tendulkar, is the most effective celebrity (Rank 1) followed by M.S. Dhoni & Abhishek Bachchan (Rank 2) and with mean scores of 0.938 and 0.931. A R Rahman, the Indian who won a Oscar is found to least effective and has been given the last rank by the respondents. Sport stars are more popular than film stars. Shahrukh Khan, arguably the most popular and costliest celebrity is only ranked only 7 by the viewers but still he is roped in by many companies to endorse their brands. It is interesting to know that regional celebrities are less effective than national celebrities even in their own regions, e.g Surya, Vijay are not so effective even in Chennai. Another striking observation is that the top most effective celebrities happen to be men and women celebrities are not found to be effective by the respondents.

Table 2 is about the products promoted by celebrities and their effectiveness. Soft drink product and Two Wheeler/ Car are the most effective products endorsed/promoted by celebrities, Jewellery is the third most effectively promoted celebrity product with mean scores of 0.957 and 0.952. Washing powder and Insurance are the least effective celebrity promoted products. The effective products are FMCG and Durables, which are ranked higher therefore the effectiveness is not product centric.

The association test results between demographic variables and celebrities are in table 3. There is no association between M S Dhoni and Age, Education, Marital status, Nativity, Religion and Monthly Income but there is an association between M S Dhoni and Gender (0.002) meaning women like Dhoni more than men. Age, Gender, Marital status, Religion and Monthly Income has no association with Sachin Tendulkar but Sachin has association between Education (0.033) and Nativity (0.005) meaning less educated respondents like Sachin more than educated people. Non native people like more Sachin than natives. Abhishek Bachchan has no association between Gender, Education, Nativity, Religion and Monthly Income. But Abhishek Bachchan is associated Age (0.003) and marital status (0.004). Younger respondents like Abhishek more than the older ones and single respondents like Abhishek

more than married respondents. It can be concluded that effectiveness is the same across most of the demographic variables, implying that respondents across the board feel that these celebrities are effective in promoting the products.

The association between product and demographic variables (Table 4) show that there is no association between any of the Demographic variables and Soft Drink or Jewellery or Two Wheelers /Cars. There is no difference in preference across any of the demographic variables meaning across the board all the group respondents seem to prefer and agree that there products endorsed/promoted by celebrities are effective (All the average scores are above the theoretical median value).

IV. Conclusion

In today's age of cable and satellite televisions where advertisement space or time has become more and more competitive & costly and also catching the eye ball of the viewer is becoming tougher because of the huge options a viewer has and the ease of surfing channels which is available just at the click of a finger. Advertisers have to work very hard to reach the customers and to get their message across. In this scenario of immense competition celebrity advertising has become a winning formula of the companies to take their brands to the target audience. A right match of celebrity and product endorsement can create awareness in the minds about the product and brand. The study has thrown some light on the Indian celebrity advertisement scenario where sport personalities are more effective in promoting than film stars and demographic variables do not have a major bearing on the effectiveness, the phenomenon found is prevalent across the board. But do these celebrities really insinuate purchase intention and does this get reflected in sales figures of the companies is an issue to be pondered into in detail.

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Table 1: Celebrities' Effectiveness in advertisement and their Rank

Celebrity	Frequency	Average	Rank
M.S. Dhoni	270	0.931034	2
Shahrukh Khan	256	0.882759	7
Sachin Tendulkar	272	0.937931	1
Amitabh Bachchan	262	0.903448	4
Kareena Kapoor	260	0.896552	5
Surya	250	0.862069	9
A.R.Rahman	244	0.841379	12
Katrina Kaif	250	0.862069	9
Vijay	254	0.875862	8
Asin	246	0.848276	11
Amir Khan	258	0.889655	6
Abhishek Bachchan	270	0.931034	2

Table 2: Celebrity Product Advertisement's Effectiveness and their Rank

Product	Frequency	Average	Rank
Fairness Creams	262	0.903448	5
Cellular Phone service Providers	260	0.896552	6
Shampoos	258	0.889655	7
Soft Drinks	276	0.951724	1
Jewellery	266	0.917241	3
Toilet Soaps	246	0.848276	8
Mobile Phones	264	0.910345	4
Insurance	234	0.806897	9
Washing Powders/Liquids	218	0.751724	10
Two Wheelers/ Cars	276	0.951724	1

Table 3: Association between Demographics and Celebrities

Demographic Variables	Celebrities								
	M.S. Dhoni			Sachin Tendulkar			Abhishek Bachchan		
	χ^2	df	Sig	χ^2	df	Sig	χ^2	df	Sig
Age	2.361	1	0.168	0.170	1	0.519	16.097	1	0.003
Gender	10.667	1	0.002	0.557	1	0.479	1.385	1	0.299
Education	0.329	1	0.741	5.241	1	0.033	0.329	1	0.741
Marital Status	0.042	1	0.591	0.102	1	0.551	14.240	1	0.004
Nativity	0.071	1	1.000	9.985	1	0.005	1.082	1	0.453
Religion	2.238	1	0.211	0.253	1	1.000	1.225	1	0.377
Monthly Income	1.175	1	0.332	0.307	1	0.722	1.175	1	0.332

Table 4: Association between Demographics and Products

Demographic Variables	Celebrities								
	Soft Drink			Jewellery			Two Wheelers/ Cars		
	χ^2	df	Sig	χ^2	df	Sig	χ^2	df	Sig
Age	0.471	1	0.431	1.539	1	0.227	4.620	1	0.089
Gender	0.316	1	0.685	0.000	1	1.000	0.316	1	0.685
Education	0.497	1	0.700	0.000	1	1.000	0.497	1	0.700
Marital Status	0.350	1	0.461	1.213	1	0.260	3.991	1	0.105
Nativity	0.344	1	1.000	1.665	1	0.295	0.108	1	0.666
Religion	1.532	1	0.604	0.728	1	0.692	0.045	1	1.000
Monthly Income	0.156	1	0.701	0.671	1	0.538	0.170	1	1.000

CHILDREN'S PURCHASING POWER AND THEIR ATTITUDE TOWARDS MONEY SPENDING IN MADHYA PRADESH (WITH SPECIAL REFERENCE TO FOOD & ELECTRONIC ITEMS)

Vikas Saraf ★

While certain products are primarily for the child's consumption, like chocolates, wafers, soft drinks, burger, ice-creams, toys, video games etc, there are products meant for the family's use, such as car, refrigerator, TV, DVD player, music system, mobile phones, computer, micro wave, air-conditioner etc. where children enjoy greater discretion not only in making routine consumption decisions for the family but also in pestering their parents to buy products desired by them. Contemporary researchers express that children constitute a major consumer market, with direct purchasing power for snacks and sweets, and electronic that are meant for them. This study is done by researcher to ascertain children's personal purchases, it was necessary to identify the money that children between the ages 5 to 14 year had access to (either through gifts or pocket money) that was used to build up their purchasing power. An attempt has also been made to identify the children's attitude towards money spending on the choice of products in the Urban and Rural Segments of Madhya Pradesh with regard to the products "Food items" and "Electronic items".

Children constitute three different markets: the primary, the influencer, and the future market. Certain products are simply children's products for which they are the primary users/buyers. They sometimes either purchase a product themselves or select the product before it is purchased by the parents. For other products, such as ones which are used by the entire family unit, they may influence purchases made by the parents. There are some products where children wield direct influence or pester power by overtly specifying their preferences and voicing them aloud.

For other products, parents' buying patterns are affected by prior knowledge of the tastes and preferences of their children. This 'passive dictation' of choice is prevalent for a wide variety of daily consumed product items as well as products for household consumption. Also, decision making in households is seen to change with the mere presence of children. The nature of joint decisions in couple decision making units and family decision making units is seen to be different. It is also observed that children are socialized by their parents to act as rational consumers. After years of direct or indirect observation of parental behaviour in the marketplace, they gradually acquire relevant consumer skills from their parents.

Moreover, with adult promotions, marketers seek a variety of effects and these are contingent upon the objectives of the communication. Again, effects are sought across knowledge, attitudes and behaviour, and children can be influenced by effects operating at wider socio-psycho

levels, more intermediate levels and at the level of the individual. As some children have autonomy over their own consumption choices, promotional strategies will seek to influence children directly by creating a desire for a particular product and intentions to purchase that product. Children may be encouraged to purchase a product that is new to them, to increase their consumption of a product they already consume or to continue to purchase a given product over the long term. As children do not always buy their own products and consumption choices are often made on their behalf, marketers create appeals that are designed specifically to influence children's purchase request behaviour. Promotions are used to create a desire for a particular product among children in such a way that they are encouraged to influence their parents or other adults (through requests) to purchase the desired product on their behalf.

Paxton and John (1995), in their study of age differences in information search behavior of children, found that older children gather more information for favorable product profiles and less information when the cost-versus-benefit of acquiring information is high. Other studies indicate that younger kids use few dimensions to compare and evaluate brands (Bahn, 1986; Capon and Kuhn, 1980). They

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reported that children tend to rely on dominant perceptual features (vs. functional features) of products in gathering information and making choices.

The amount of influence exerted by children varies by product category and stage of the decision making process. For certain products they are instrumental in initiating a purchase, while for others, they make the final selections themselves. The purchasing act is governed by how they have been socialized to act as consumers. Family members, peers and media are key socializing agents for children wherein family-specific characteristics such as parental style, and patterns of communication play key roles.

I. Review of Literature

Children start defining themselves around the age of eight. They do this in terms of their parents, friends (gang and peer pressure plays a part in their consumption habits), school, activities, and the like. They also become aware of brands at this age. (Srinivasan & Kumar). More than 50% of parents in all countries surveyed say that their children are an important factor in influencing their purchasing decisions. Indian, Malaysian & Pakistani parents cited “Childs Demand” as the primary reason for buying a product. (Media Awareness Network, 2005).

Out of 120 million tweens in India, the relevant audience for companies is smaller, 45 million which is the number of children between the ages of 8-years and 12-years that live in large cities and belong to households from the higher reaches of the SEC (Socio-Economic Classification). And there seems to be a direct correlation between tween-empowerment and nuclear families on one axis and double-incomes on another. “Where both parents go to work the premise is that the child is grown up enough to manage alone (make purchase decision & spend money)”. (Bhat, January, 2006).

What and How Much Indian Tweens spent on
(Rs. in crores)

Apparel	Gizmos	Food and Eating Out	FMCGs	Games	Entertainment	Books	CDs/ DVDs
7,000	4,650	2,500	940	150	150	80	60

Source: “Tween Power”, Business Today, January 1, 2006

There’s the things about pester power, tweens driving purchase decisions even in categories such as TVs and Cars. “This is particularly relevant to a country such as India where parents may not have been exposed to things as much as their kids (Zarina Mehta- Head (Programming),

Hungama TV, a channel largely targeted at tweens: business today Jan. 2006). “Tweens are the biggest influencers of what to eat or which mall to visit and it’s the same across the top 50-cities in India. (Pyush Pandey-Executive Chairman, O & M India.: business today Jan. 2006).

In Western literature, children have been reported to wield a lot of influence in purchase decisions for children products such as snacks (Ahuja and Stinson, 1993); toys (Burns and Harrison, 1985; Jensen, 1995; Williams and Veeck, 1998); children’s wear (Converse and Crawford, 1949; Foxman and Tansuhaj, 1988; Holdert and Antonides, 1997; Van Syckle, 1951); and cereals (Belch et al., 1985; Berey and Pollay, 1968). Children have been observed to influence decisions for family products also, such as holiday/vacations (Ahuja and Stinson, 1993; Belch et al., 1985; Dunne, 1999; Holdert and Antonides, 1997; Jenkins, 1979); movies (Darley and Lim, 1986); and eating at particular restaurants or even decision making for the family to eat out (Filiatrault and Ritchie, 1980; Williams and Veeck, 1998). Some researchers investigated the role children play in purchase of children and family products together (Foxman and Tansuhaj, 1988; Geuens et al., 2002; Hall et al., 1995; Mangleburg et al., 1999; McNeal and Yeh, 1997). Jensen (1995) studied three categories of products—those that are primarily for children (e.g., toys, candy), products for family consumption (food, shampoo, toothpaste), and parents’ products (gasoline, coffee, rice). Similarly, Johnson (1995) selected products as categorized by Sheth (1974)—products for individual use, those for family use, and finally products for the household. Todd (2001) reviewed methods used to study children as consumers. She proposed that children’s level of cognitive development and competencies must be recognized at the time of choosing a method with which to study children. Children were not seen to have a large impact on instrumental decisions such as how much to spend (Belch et al., 1985; Jenkins, 1979; Szybillo and Sosanie, 1977), but do have on expressive decisions such as color, model, brand, shape and time of purchase (Belch et al., 1985; Darley and Lim, 1986). However, Williams and Veeck (1998) reported that in China, where most families have a single child, the child exerted considerable influence during all stages while buying products for family use. Beatty and Talpade (1994) suggested that teens’ knowledge affects their perceived influence in the search for information in the decision process for some products such as the family stereo.

Objectives

This research was conducted with a view to ascertain children’s personal purchases made and to identify the

children's attitude towards money spending on the choice of products in the urban and rural segments of Madhya Pradesh. To achieve these objectives the following hypotheses were framed:-

H01 There is no significant difference in the opinion of urban and rural children belonging to different age groups regarding their purchasing power.

H02 There is no significant difference in the opinion of urban and rural children belonging to different age groups and sexes regarding their attitude towards money spending with regard to the choice of following products:

- Food items and
- Electronic items.

II. Research Design & Methods

The study was confined to Bhopal region and Sagar region which is heterogeneous comprising people of various socio-economic classes. While choosing the sample, every care was taken to ensure that it should reflect the general characteristics of Madhya Pradesh. The sampling technique in selecting respondents for the study was convenient multi-stage sampling. From the urban segment two cities of the state namely – Bhopal and Sagar were selected. In these two cities again data has been drawn from different income group. For studying the impact on the children of rural area two tehsil places- Gairatganj from Bhopal division and Deori Kalan from Sagar division were selected on the basis of the size of the population, location and economic considerations.

These regions were stratified into two segments- the urban and rural segments, two schools were selected, one run by the government and another school runs by private group in the urban and rural segment. The study covers children between the age group of 5 to 14, divided into 3 categories, 50% of the sample were female.

From these schools, list of students between 5-8 years, 8-11 years and 11 – 14 years have been obtained and from the list a 10% sample respondents were randomly selected. Please refer Table 1.

Sample Profile

The accuracy of the sample is more important than its size. An appropriately drawn sample gives more reliable estimates on a universe.

The sample consisted of 200 children:-

Children below 5 years were too young and no significant information could be collected from them and hence they

were not included. The study focused on the perception of the children above 5 up to 14 years. Thus the children over 14 years of age are considered mature and independent enough to share the responsibilities of the family and earn their livelihood.

Distribution of Child-Respondents by Age and Sex. Out of 200 children from (100 from each segment-urban and rural area), 21 respondents from urban area and 24 respondents from rural area belonged to the age group 5 up to 8 year, 49 respondents from urban area and 37 respondents from rural area belonged to the age group above 8 up to 11 year, 30 respondents from urban area and 39 respondents from rural area belonged to the age group above 11 up to 14 year age group. 50% in both the segments were female students.

Questionnaire Design

Questionnaires designed were clearly laid out and easy to read and understand. While drafting the questions, simple language was used to facilitate the respondents understanding. Multiple-choice statements and dichotomous questions were used. Respondents were explained in local (regional) language as to how and where to place a mark to indicate their opinion.

Tools of Analysis

The nature of the study is such that besides the quantitative statistical and mathematical tools where scaling technique was used. The data so collected have been tabulated, analyzed and then the findings & inferences were drawn.

For the analysis of data the SPSS (Statistical Package for Social Science) was used. Percentage analysis was done to analyze the demographic variables and the present satisfaction level of viewers on each factors of ad effectiveness.

Pearson's coefficient of correlation (r) was used to identify the degree of association between various sets of response in order to ascertain whether they were positively or negatively related to each other. In correlation analysis, two types of variables were considered. One was the dependent variable and other was independent variable. The independent variable had their own identity and contributed significantly towards the dependent variable.

III. Results & Discussions

This part of the study seeks to identify the purchasing power of children i.e., monthly allowance either through gifts or pocket money, their attitude towards money

spending and children purchase decision of food and electronic items in urban and rural area of Madhya Pradesh.

In an attempt to ascertain children's personal purchases, it was necessary to identify the money that children between the ages 5 to 14 year had access to (either through gifts or pocket money), that was able to build up their purchasing power. For many children interviewed, assessing the amount of pocket money they received every month was very difficult. As up to the age of 8, children had no purchasing power, they were considered too young to be given any amount for self purchase by their parents. With the increase in age, they started enjoying some purchasing power. There were some children who were not given any amount as such; it was only that parents got them what they asked for. Nonetheless, children's response to the question of their monthly pocket-allowance is summarized in Table No. 2 and Fig. 1.

It was clear from the tables that, (46%) children in urban and more than half (53%) children in rural area reported receiving up to Rs. 200/- per month as their pocket allowance. Lesser number (27%) children in urban and (43%) children in rural area were receiving amount between Rs.201 up to Rs.500/- per month. A small number (21%) children of urban and (4%) children of rural area were getting their pocket allowance between Rs. 501/- up to Rs. 1,000/-. Only a few numbers of children in urban area were receiving more than Rs.1,000/- as their pocket allowance but none of the child in rural area reported receiving more than Rs.1,000/- as their pocket allowance per month.

Table No. 3 has identified the relationship between the age of the child and their purchasing power, correlation coefficient (r) was calculated. As its value was significant i.e. 0.33 in urban area and 0.26 in rural area at 0.01 level, it indicated that age played an important role in determining the children's pocket-allowance. With increase in age of the child, pocket-allowance was found to increase.

In an attempt to ascertain children's (in urban and rural area) attitude towards money and their purchase priorities of food and electronic items, the study found out as to how they spent their pocket allowance. Their responses received are shown in Table No. 4 and Fig. 2.

In Food items, the results revealed that a significant number (94% in urban & 96% in rural) of children spent their pocket allowance on purchasing chocolates. Ice-creams were found to be the other popular choice among (87% in urban & 84% in rural) children. Soft drinks had been preferred by (81% in urban & 57% in rural) children. In

urban and rural area (79%) & (82%) children respectively rated as their choice for wafers. Snacks had been the choice of (63% in urban & 73% in rural) children. Around (42% in urban) and negligible number (5% in rural due to lack of availability) children spent pocket allowance on Pizza/Burger/Burger. 28% in urban and 67% in rural area children purchase sweets.

In Electronic items, the result revealed that, (29% in urban & 36% in rural) children spent their pocket allowance in the purchase of CDs/DVDs. In mobiles, (19% in urban) & a few number (6% in rural) children prefers to spent their pocket allowance. However, (23% in urban & 9% in rural) children were spending money from their pocket allowance for getting their mobile recharge. About (18% in urban & 16% in rural) children bought/hired video games from their pocket money. Only (14% in urban & 16% in rural) children choice is for electronic toys.

As shown in Table No. 5(A) & 5 (B), out of those children preferred buying chocolates, (85.7% in urban & 95.8% in rural) were from age group of 5 up to 8 year, (95.9% in urban & 97.2% in rural area) from age group above 8 up to 11 year and (96.7% in urban & 94.8% in rural) were from above 11 up to 14 year.

Pizza/Burger were found to be popular among (33.4% in urban & none from rural) children of age group 5 up to 8 year, (32.6% in urban & 2.7% in rural) of age group above 8 up to 11 year and (63.4% in urban & 10.2% in rural) of age group above 11 up to 14 year. Wafers were found to be more popular among (90.4% in urban & 87.5% in rural) children of age group 5 up to 8 year, (83.6% in urban & 78.3% in rural) of age group above 8 up to 11 year and (63.4% in urban & 82% in rural) of age group above 11 up to 14 year. So far as soft drinks were concerned, (33.4% in urban & 20.8% in rural) children of the age group 5 up to 8 year, (93.8% in urban & 48.6% in rural) children of age group above 8 up to 11 year and (93.4% in urban & 87.1%) in the age group above 11 up to 14 year liked it. Ice creams were favourite of (85.7% in urban & 91.7% in rural) children of age group 5 up to 8 year, (85.7% in urban & 81% in rural) of the age group above 8 up to 11 year and (70% in urban & 82% in rural) children of age group above 11 up to 14 year. Sweets were preferred by (19% in urban & 79.1% in rural) children of the age group 5 up to 8 year, (22.4% in urban & 83.7% in rural) of the age group above 8 up to 11 year and (43.4% in urban & 43.5% in rural) children of age group above 11 up to 14 year. Again, snacks were found popular among children (42.8% in urban & 66.7% in rural) of the age group 5 up to 11 year, (63.2% in urban & 75.6% in rural) of the age

group above 8 up to 11 year and (76.6% in urban 74.3% in rural) of the age group above 11 up to 14 year.

In electronic items, (53.4% in urban & 12.8% in rural) children of age group above 11 up to 14 year preferred purchasing mobiles, while (61% in urban & 2.7% in rural) of age group above 8 up to 11 year children and none of the child in urban and rural area preferred purchasing mobile phones. So far as mobile recharge vouchers were concerned, (63.4% in urban & 17.9% in rural) of age group above 11 up to 14 year, (8.1% in urban & 5.4% in rural) children of age group above 8 up to 11 year and none of the child in urban and rural area preferred purchasing mobile recharge vouchers. In CDs /DVDs were purchased/hired by, more than half (70% in urban & 56.4%) of children of age group above 11 up to 14 year, (16.3% in urban & 37.8% in rural) of age group above 8 up to 11 year and a negligible number (9.5% in urban & none in rural) of the age group 5 up to 11 year. Similarly, Video games were purchased/hired by (30% in urban & 12.8% in rural) children of age group above 11 up to 14 year, (12.2% in urban & 24.3% in rural) of the age group above 8 up to 11 year and (14.2% in urban & 8.4% in rural) children were of age group 5 up to 8 year. Preference of purchase of electronic toys was reported as, (28.5% in urban & 12.5% in rural) children of age group 5 up to 8 year, (10.2% in urban & 43.2% in rural) of age group above 8 up to 11 year and (10% in urban & 10.2% in rural) children of age group above 11 up to 14 year.

Responses in spending pocket allowance by children's sex are shown in Table No. 6 (A) & 6 (B). It was observed that chocolates were found more popular with the girls as (98% in urban & in rural) of them spent their pocket-allowance on buying them as compared to (90% in urban & 94% in rural) of the boys. Similarly, Ice creams were also found popular with the girls as (92% in urban & 80% in rural) preferred to purchase as compared to (82% in urban & 88% in rural) of the boys from their allowance. Moreover, purchase of wafers was also rated popular, girls (82% in urban & 74% in rural) and boys (76% in urban & 90% in rural) spent on wafers. In soft drinks, boys preference was more (86% in urban & 76% in rural) as compared to girls (76% in urban & 38% in rural). Similarly, boys liked snacks & sweets (70% & 32% in urban and 82% & 76% in rural) as compared to girls (56% & 24% in urban and 64% & 58% in rural). Pizza/Burger was preferred by girls and boys of urban area (44% & 40%) and that in rural area only a few number of boys & girls (4% & 6%) bought it. During survey, it was discovered that availability of Pizza/Burger is almost nil in rural area as compared to urban area.

In electronic items, Mobiles Phone were preferred by boys (24% in urban & 8% in rural) as compared to girls (14% in urban & 4% in rural). Similarly, male child is pending more on mobile recharge (34% in urban & 14% in rural) as compared to girls (12% in urban & 4% in rural). In the purchase/hire of CDs/DVDs, boys spent more (38% in urban & 54% in rural) than that of girls (20% in urban & 18% in rural). So far as video games purchase/hiring is concerned, again boys were ahead (26% in urban & 22% in rural) than girls (10% in urban & rural area). Electronic toys purchased in case of boys were (16% in urban & 28% in rural) and that of girls (12% in urban & 18% in rural).

It's surprising to observed that, even though children were not given the 'saving' option from the information gathered during data collection it was around 30% in rural and 27% in urban area children saved some amount from their pocket allowance and hand it over to parents in case of need. Girls of urban and rural area were more in the habit of saving in comparison to boys.

IV. Recommendations

Based on in-depth analysis of the data and findings the following are the recommendations to the parents:-

Talk about the value of money:- One of the most important lessons parents can teach to their children is how to be smart about money. Our consumer culture promotes spending over saving, so we have to counter that message on a regular basis by discussing purchasing decisions and money-management skills with children. Thus parents must talk about the value of money. Discuss how to be a wise and responsible consumer:-Parents should show their children how to comparison shop, read reviews and investigate warranties. They should talk about the effect of mass consumerism on the environment. Parents must encourage their children to think about ways they can cut down on buying non-essential consumer products.

V. Conclusion

Based on above observations study has revealed that with the increase in age their pocket allowance also increases. Thus, the children above eleven year enjoy more purchasing power and independence as compared to young age children. Children were spending pocket allowance on purchasing the food and electronic items, which were not expensive and meant for them. Parents also do not mind if the child spent his/her pocket allowance on these items. However, children hardly spend any amount from their pocket for the purchase of any household items. It was

also found that children make purchase request to their parents in case of expensive items.

During survey, it was also observed that older age children were having knowledge of product attributes, its price and availability and therefore most of the time they were found to play the role of opinion leader. In case of electronic items, it was observed that parents think that their children (above the age of eight year) were more technological sound and they sought their view before making any purchase decision. Children's role as a buyer was recognized for the food and electronic items, which were low-priced and meant exclusively for their consumption. For the purchase of expensive items consent of parents becomes essential.

Children from both the sexes were found to be playing an important role in spending pocket allowance. The girls were found to be more interested in food items while boys preferred playing the role in case of the electronic items. The most important finding of the study is that, not only in urban area but also in rural area, in the traditional male dominated families, the role of girls has been felt equally important to that of the boy. Thus, the children of both the sexes in both the areas (urban & rural) found to play a significant role in children's spending their monthly pocket allowances.

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Table 1: Distribution of Sample

Place Selected From Different Region of Madhya Pradesh			
Bhopal Division		Sagar Division	
Urban Area	Rural Area	Urban Area	Rural Area
Bhopal City	Gairatganj Tehsil	Sagar City	Deori Kalan
Sample Size : 50	Sample Size : 50	Sample Size : 50	Sample Size : 50

Table 2: Children's Purchasing Power

Children's Purchasing Power		
Children's monthly pocket allowance	Number of Children (Urban)	Number of Children (Rural)
Up to Rs. 200/-	46	53
Rs. 201/- – 500/-	27	43
Rs. 501 – 1,000/-	21	4
More than 1,000/-	6	0
Total	100	100

Source : Primary Data

Table 3: Children's Purchasing Power: Distribution by Age

Correlation Coefficient (r) between Children's monthly pocket allowance and Children's Age		
Children's monthly pocket allowance	Children's Age	
	Urban	Rural
Correlation Coefficient (r)	0.33**	0.26**

** Significant at 0.01 level

Source : Primary Data

Table 4: Children's Attitude towards Money Spending

Children's Spending monthly pocket allowance		
Responses Spending pocket allowance	Number of Children (Urban)	Number of Children (Rural)
Chocolates	94	96
Ice Creams	87	84
Soft Drinks	81	57
Biscuits & Wafers	79	82
Snacks & Pastries	63	73
Pizza/Burger	42	5
Sweets	28	67
CDs/DVDs	29	36
Mobile Recharge	23	9
Mobiles	19	6
Video Games	18	16
Electronic Toys	14	23

Table 5 (A):Children’s Spending Monthly Pocket Allowance: Distribution by Age

Responses Spending pocket allowance	Children’s Age (Urban)			
	5 to 8 year (n=21)	Above 8 to 11 (n=49)	Above 11 to 14 (n=30)	Total (N=100)
Chocolates	18 (85.7%)	47 (95.9%)	29 (96.7%)	94 (94%)
Pizza/Burger	7 (33.4%)	16 (32.6%)	19 (63.4%)	42 (42%)
Biscuits & Wafers	19 (90.4%)	41 (83.6%)	19 (63.4%)	79 (79%)
Soft Drinks	7 (33.4%)	46 (93.8%)	28 (93.4%)	81 (81%)
Ice Creams	18 (85.7%)	42 (85.7%)	21 (70%)	87 (87%)
Sweets	4 (19%)	11 (22.4%)	13 (43.4%)	28 (28%)
Snacks & Pastries	9 (42.8%)	31 (63.2%)	23 (76.7%)	63 (63%)
Mobiles	0	3 (6.1%)	16 (53.4%)	19 (19%)
Mobile Recharge	0	4 (8.1%)	19 (63.4%)	23 (23%)
CDs/DVDs	2 (9.5%)	8 (16.3%)	21 (70%)	29 (29%)
Video Games	3 (14.2%)	6 (12.2%)	9 (30%)	18 (18%)
Electronic Toys	6 (28.5%)	5 (10.2%)	3 (10%)	14 (14%)

Table 5 (B):Children’s Spending Monthly Pocket Allowance: Distribution by Age

Responses Spending pocket allowance	Children’s Age (Rural)			
	5 to 8 year (n=24)	Above 8 to 11 (n=37)	Above 11 to 14 (n=39)	Total (N=100)
Chocolates	23 (95.8%)	36 (97.2%)	37 (94.8%)	96 (96%)
Pizza/Burger	0	1 (2.7%)	4 (10.2%)	5 (5%)
Biscuits & Wafers	21 (87.5%)	29 (78.3%)	32 (82%)	82 (82%)
Soft Drinks	5 (20.8%)	18 (48.6%)	34 (87.1%)	57 (57%)
Ice Creams	22 (91.7%)	30 (81%)	32 (82%)	84 (84%)
Sweets	19 (79.1%)	31 (83.7%)	17 (43.5%)	67 (67%)
Snacks & Pastries	16 (66.7%)	28 (75.6%)	29 (74.3%)	73 (73%)
Mobiles	0	1 (2.7%)	5 (12.8%)	6 (6%)
Mobile Recharge	0	2 (5.4%)	7 (17.9)	9 (9%)
CDs/DVDs	0	14 (37.8%)	22 (56.4%)	36 (36%)
Video Games	2 (8.4%)	9 (24.3%)	5 (12.8%)	16 (16%)
Electronic Toys	3 (12.5%)	16 (43.2%)	4 (10.2%)	23 (23%)

Figure 1 • Children’s Purchasing Power

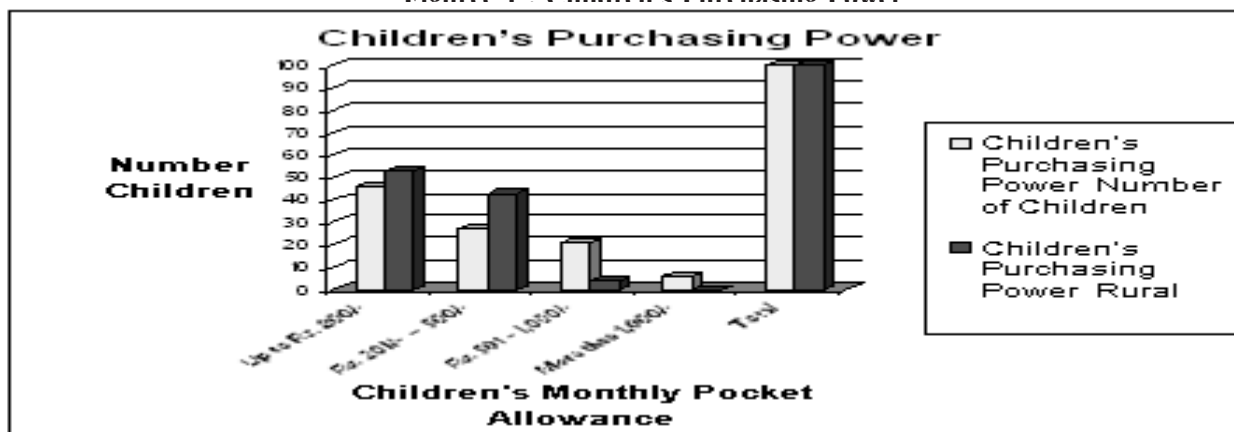


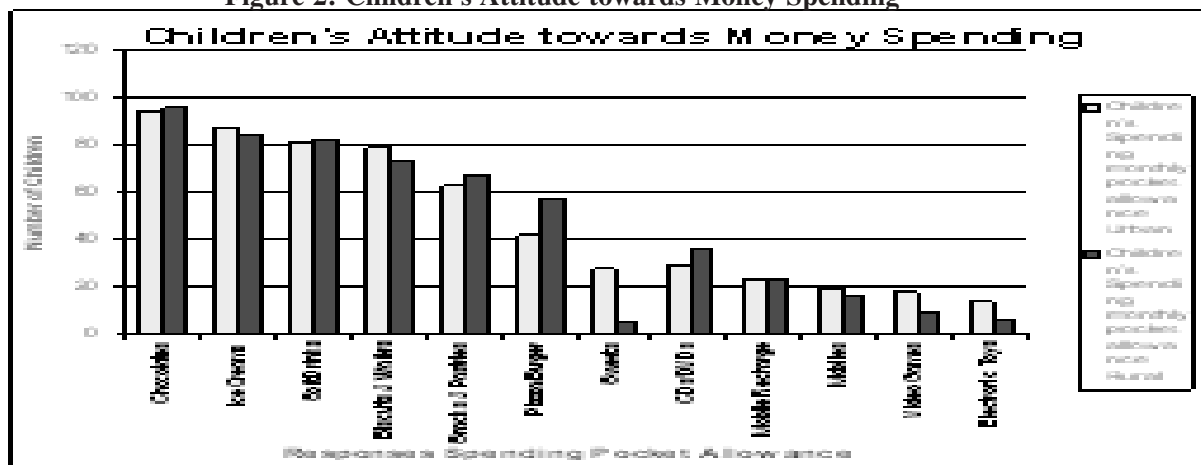
Table 6 (A):Children’s Spending Monthly Pocket Allowance: Distribution by Sex

Responses Spending pocket allowance	Children’s Sex (Urban)		
	Male (n=50)	Female (n=50)	Total (N=100)
Chocolates	45 (90%)	49 (98%)	94 (94%)
Pizza/Burger	20 (40%)	22 (44%)	42 (42%)
Biscuits & Wafers	38 (76%)	41 (82%)	79 (79%)
Soft Drinks	43 (86%)	38 (76%)	81 (81%)
Ice Creams	41 (82%)	46 (92%)	87 (87%)
Sweets	16 (32%)	12 (24%)	28 (28%)
Snacks & Pastries	35 (70%)	28 (56%)	63 (63%)
Mobiles	12 (24%)	7 (14%)	19 (19%)
Mobile Recharge	17 (34%)	6 (12%)	23 (23%)
CDs/DVDs	19 (38%)	10 (20%)	29 (29%)
Video Games	13 (26%)	5 (10%)	18 (18%)
Electronic Toys	8 (16%)	6 (12%)	14 (14%)

Table 6 (B):Children’s Spending Monthly Pocket Allowance: Distribution by Sex

Responses Spending pocket allowance	Children’s Sex (Rural)		
	Male (n=50)	Female (n=50)	Total (N=100)
Chocolates	47 (94%)	49(98%)	96 (96%)
Pizza/Burger	3 (6%)	2 (4%)	5 (5%)
Biscuits & Wafers	45 (90%)	37 (74%)	82 (82%)
Soft Drinks	38 (76%)	19 (38%)	57 (57%)
Ice Creams	44 (88%)	40 (80%)	84 (84%)
Sweets	38 (76%)	29 (58%)	67 (67%)
Snacks & Pastries	41 (82%)	32 (64%)	73 (73%)
Mobiles	4 (8%)	2 (4%)	6 (6%)
Mobile Recharge	7 (14%)	2 (4%)	9 (9%)
CDs/DVDs	27 (54%)	9 (18%)	36 (36%)
Video Games	11 (22%)	5 (10%)	16 (16%)
Electronic Toys	14 (28%)	9 (18%)	23 (23%)

Figure 2: Children’s Attitude towards Money Spending



DECOMPOSED SIMILARITY EFFECTS ON CONSUMER ATTITUDE TOWARDS A BRAND EXTENSION

Soumi Paul★ Saroj Kumar Datta★★

The most significant finding from brand extension research is that consumers evaluate brand extensions based on their perceived fit with the parent brand. In spite of this brand extension failure in the presence of high perceived fit prompts further investigation on the mentioned variable with a microscopic view. In this connection, the present study extends this research by addressing the various ways a consumer bridges a similarity between the parent brand and the extended product. According to Murphy and Medin (1985), other than object to- object similarity relationships, other aspects of a concept category, such as concept relationships among objects, need to be considered along with object similarity. Any association about the parent brand that consumer recall in their psychological cell may create the basis of fit perception. Further, we also investigated in there any particular fit perception is found to be more effective in making a logical association in consumers mind. The results suggest that concept consistency may have a greater effect on making logical association than category related brand extensions. Brand extension may have a dilution effect on the parent brand image but it is also true the best fitting extension or consistent one can reduce or nullify the effect and add more on the brand. Any type of fit perception associated with the extension, can be enhanced, through marketing mix variables.

Brand extensions which are introduced in a different category from the existing business (De Pelsmacker et al., 2007) has become one of the most popular strategies for leveraging brand equity previously developed. In the recession of the early 1990s marketing managers focused on cost-saving policies to increase competitiveness. The, most important output was to make brand extensions more compelling, as new product launches based on existing brand names are relatively less costly and risky. IMRB has recently reported that Indian consumer goods companies have resorted to brand and product line extensions to counter the present financial crisis (Case study marketing, extending the brand, February 2009). Many new products generally fail, every year the most successful ones tend to be brand extensions (Aaker 1991). The strategy is not simple. It is a complicated process because the extension has to perceive a consistent approach with the original brand so that the new addition could explore, enlarge and enhance the brand meaning, brand image and brand recognition in a prospects mind. The most enduring findings from brand extension research are that consumers evaluate brand extensions based on their perceived fit with the parent brand. In brand extension research there is hardly any variable rather than fit (or perception of fit) given so much attention because of its weightage in the past extension literature. Perceived fit is found to be the most relevant variable that can highly influence the acceptance of brand extension (Völckner & Sattler 2006). Fit is a function of salient shared associations between the family

brand and the extension product and has been conceptualized in several ways (Keller 1998). The study defines fit as, the label up to what the product is identified as an appropriate extension of a parent brand.

This study explores to obtain the effect of fit consumers have to perceive some dimensions of similarity between parent brand and the extension (Boush et. Al. 1987; Aaker & Keller 1990; Völckner & Sattler 2006; Ahluwalia 2008). Till date, there is considerable conflict about the dimensions of perceived fit. About fit definition, everyone can come up with his or her own typical association. The positive influence of fit also occurs both in studies considering fit globally (Gutiérrez and Rodríguez, 1994; Martíñez and Pina, 2005) or focused on the dimensions of the category and image fit (bush et al., 1987; Boush and Loken, 1991; Park et al., 1991; de Magalhaes and Varela, 1997; Seltene, 2004). The present study extends previous researches by addressing the various ways a consumer bridges a similarity between the parent brand and the extended product. According to the literature, fit comprises a number of dimensions, including similarity, typicality, relatedness, and brand concept consistency (Aaker and Keller 1990; Farquhar et al. 1990; Boush and loken 1991; Park et al.

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1991; Gurhan- Canli and Maheswaran, 1998). Aaker and Keller identified various bases of perceived fit between the original and extension product classes. In particular, these bases are (1) complementarity (2) substitutability and (3) transferability. These fit dimensions are mainly product or object related. On the other hand according to Murphy and Medin (1985), other than object to- object similarity relationships, they suggest that other aspects of a concept category, such as concept relationships among objects, need to be considered along with object similarity.

In the present study, first, we divide the concept of fit as product-related attributes or benefits (e.g., product category; Boush and Loken 1991) and non-product related attributes or benefits (e.g., image; Park et al. 1991). Further, this study adapts Tauber's conceptualization of fit (1988) that refers to the extent to which consumers accept the new product as logical and would expect it from the (parent) brand. Therefore, what may be the basis for fit whether it is category based or concept based, but finally it should be logically associated with individual's fit perception. This study further investigates which aspect of similarity is found to be more effective in making a logical association and consumer's evaluation of brand extension.

Conceptualization of different theories of fit perception

One of the main theoretical elements in a brand evaluation processes is the concept of congruence or similarity. Some brands an expertise – Honda (experts in reliable engines). Brands that “own” nothing usually are not good candidates for brand extension. Being well known is not enough. The ownership of any sole item should transfer to the new product as to fit with the brand and consumer should perceive the same exclusive item in the extension. So, sometimes the brand extension can be another proof point for the brand promise, strengthening, the unique sole ownership what the brand stands for.

One of the main theoretical elements in understanding the basic process of fit perception in a brand extension process is the concept of congruence or similarity. Considering the scenario, where a new category is proposed to a consumer for a brand with an existing positive preference evaluation in another existing category ,the relevant theory predicts that if the concepts either in the category or brand level are congruent, then no additional significant cognitive processing will occur and the overall evaluation of the brand extension, will be one of a positive preference.

An important overlay to our understanding of this process is offered by categorization theory. Sujan (1985) is regularly

credited as one of the first researchers' to use categorization theory to understand evaluations of consumer products. Categorization theory suggests that individuals use schemas to help them organize information about entities. A schema is a cognitive structure that represents knowledge about a concept or an object. Individuals form schemas for entities as relevant information about the entity becomes salient (for complete reviews see Fiske and Taylor, 1991).

According to the associative network theory, the consumer mind contains a network of concepts (nodes) interconnected through associations (Anderson, 1983; Morrin, 1999). Any association about the parent brand that consumer recall in their psychological cell may create the basis of fit. In addition, they readapt their cognitive structure to assimilate the new associations (Park et al, 1993). On the other hand, the brand schema will be modified to accommodate examples that are far from current brand attitudes and beliefs (accommodation process). Following Weber and Crocker's (1983) work, Gurhan-Canli and Maheswaran (1998) suggest that the image modification could be reflected in the formation of a mental subcategory inside the brand scheme (sub-typing model) or in a complete modification of brand associations (conversion model). However, it is just possible that brand attitudes and beliefs would always change because of the new information, which is called the bookkeeping model (Weber and Crocker, 1983; Loken and John, 1993; Gu`rhan-Canli and Maheswaran, 1998). A recent paper explores the relationship of parent brand– extension similarity or congruence as inverted “U” from the reverse perspective by investigating how much atypicality an extension can possess and still enjoy a good level of evaluation (Batra, Lenk, and Wedel 2010).The key to the underlying processes invoked is clearly then the congruence between the original brand associations and the new category concepts. This is indeed the focus of the relevant marketing literature, referred to in this literature area as the dimension of ‘fit’ (Tauber 1988).

I. Review of Literature

Two general dimensions can be indentified underlying the concept of perceived fit: product category fit and brand image fit (Bhat and Reddy, 2001; Grime et al., 2002; Czellar, 2003). Product category fit; the similarity between the product category of the parent brand and its extension and brand image fit; the similarity between the image of the parent brand and its extension. Park, Milberg and Lawson (1991) argued that there are two important elements when analysing the fit. These two elements are the similarity between the new product and the core products of the

company, called category level fit or category similarity. Another is that consumers also evaluate fit with concept consistency between the image represented by the brand and the extension (Park, Milberg and Lawson, 1991). The level of consistency between an extension and the brand image is supposed to be just as important as the similarity between the product classes (Park, Milberg and Lawson, 1991). Concept consistency is different from the similarity and relatedness of the product category. It shows how a brand influences the fit perceptions of consumers. Thus, individuals can believe that the new product is physically similar to the other products of the brand (category fit) or coherent with the general brand associations (image fit) (Grime et al., 2002; Czellar, 2003), they are more likely to have a positive attitude towards the extension.

Product related attribute or Product feature similarity

Product category similarity play important roles in determining success of brand extensions (e.g., Boush, et al. 1987; Aaker and Keller 1990; Boush and Loken 1991; Park, Milberg, and Lawson 1991; Herr, Farquhar, and Fazio 1996; Bottomley and Doyle 1996; Jun, Mazumdar, and Raj 1999). Moreover (Chakravarti, MacInnis, and Nakamoto 1990; Farquhar, Herr, and Fazio 1989) found a positive relationship between product feature similarity and consumers' evaluation of Aaker and Keller identified various bases of perceived fit between the original and extension product classes. In particular, these bases are (1) complementarity - the extent to which extensions and existing products share the same usage context, (2) substitutability - the extent to which one product can replace the other in satisfying the same need, and (3) transferability - the degree to which the manufacturing skill that is required for the extension overlaps with what already exists. These fit dimensions are mainly product or object related. Examples include the category-dominant brands are Pepsi, Coke, these categories are synonymous with their company or brand name. Brand image related similarity or image consistency

According to (Broniarczyk & Alba, 1994; Phang, 2004) brand specific associations allow for brand extensions to unrelated product categories. Variable like brand association has already been considered by many authors as it is a responsible one that determines the degree of acceptance of the extended products. Successful brand extensions are not that easy to make out, develop and position. Just sticking a known name for a new product does not guarantee its success. Categorization theory has explained the transfer of affection between an existing brand and an extension

product which results in the positive evaluation by consumers. The brand extension literature along with categorization theory suggested that if the overall similarity between associations (e.g. Associations regarding product-features, brand-concepts, or particular brand-unique associations) is high, consumers perceive the knowledge about the parent brand to be of relevance for the extension as well. For an example, Nokia makes high-quality electronics but this association is not strongly associated with other mobile brands or with the product class as a whole. Maintaining brand consistency is a business attempts to communicate new messages in a way, which does not detract or wander away from the core brand proposition. Consumer assess fit in terms of concept consistency between the brand concept or the image portrayed by the brand in front of consumers and the extension (Park et al. 1991; de Magalhaes Serra et al. 1999). Consumer attitude towards brand extension and fit perception

The product fit concerns the differences in the product features transferred from the parent brand to the brand extension while the image fit focuses on the transfer of the image (Bhat et al 2001). Aaker and Keller's theory of brand extension proposes that original brand quality and the congruence, or 'fit' between the original brand and the extension concept, influence brand extension evaluation. The perceived fit between the parent brand and the extension is one of the major determinants of brand extension success (Völckner and Sattler, 2006). Despite the lack of consensus on the definition of this concept (Bridges et al., 2000), a fit can be defined as the level up to what the product is identified as an appropriate extension of a parent brand. In the context of brand extensions, similarity fit is to know how far the consumer perceives the extended product category similar to the parent product (Smith and Park, 1992). The perceived fit has a twofold importance: its weight in the evaluation of extensions (Aaker and Keller, 1990; Boush and Loken, 1991; Bottomley and Doyle, 1996; Bottomley and Holden, 2001) and its feedback effect on the parent brand (Smith and Park, 1992; Morrin, 1999). Consumers tend to evaluate extensions more positively when they identify some similarities with the parent brand (Aaker & Keller 1990; Czellar 2003; Hem et al. 2003; Völckner & Sattler 2006). Some researchers adopt a feature overlap view of fit (category similarity) and some conceptualize fit beyond physical attribute similarity such as concept or image consistency (For example Park et al 1991; Broniarczyk and Alba). Any one of these may create the basis of fit as per Tauber's conceptualization that refers fit as logically and would expect it from parent brand. The huge past research has established the positive

role of fit in the brand extension evaluation (for example, Aaker and Keller (1990); Bhat and Reddy(2001) ; Bottomley and Holden (1996); Boush and Loken (1991); Klink and smith ; Park et al. (1997).

Thus the proposed hypotheses are,

H1 the greater the perceived category fit between the extension and the core brand, the more logical fit perception towards extension.

H2 the greater the perceived image fit between the extension and the core brand, the more logical fit perception towards extension.

H3 the greater the logical fit perception between the extension and the core brand, the more the favorable attitude towards brand extension.

II. Research Design & Methods

In line with the previous research, real brands and realistic hypothetical extensions (Aaker and Keller, 1990; van Riel et al., 2001; van Riel and Ouwersloot, 2005) are being used in the present study that was previously selected through two pre-tests. Selection of durable products and brands.

The purpose of the first pre-test, test, carried out with one hundred twenty students from the different B schools of West Bengal was to choose a well-known durable brand, which had different product category and associations.

Moreover, the subjects chosen for the study regularly consume this kind of products and constitute an important target group of companies in the consumer durable sector. According to Bird et al. (1970), the proportion of people who hold a positive attitude toward a brand is directly proportional to the current users.

The purpose of this protest is a group of real, well known, perceived as high quality brands ought to be identified from a sample of individuals. Seven product categories were chosen based on the segments of consumer durables namely mobile handset, DVD players, computer, television (consumer appliances), wrist watches, sport shoes, sunglasses and jeans (others); For each of them a sample of twenty four undergraduate students from different B schools of West Bengal urban areas was asked to choose at least two brand names they were familiar with. The aim of this pre-test, was to choose a brand in the consumer durable sector that were familiar (F) to individuals and had a different image perception and different brand association. Familiarity is an essential requisite to guarantee that

consumers have a clear image to evaluate (Low and Lamb, 2000). Brands are to be selected based on criteria given by (Aaker and Keller, 1990). The criteria are (i) high quality, having strong brand image, (ii) ability to elicit relatively specific associations. For the purpose of the study, one brand was selected to represent consumer durable products. One question was thus formulated to assess the concepts in seven-point Likert scales (1 =totally unfamiliar/7 = Very familiar) for a total of 11 brands. According to the results, Nike (FN =5.56), was chosen as the most familiar brands in Indian consumer durable market. Pretest 2 – selection of hypothetical extensions

The purpose of this investigation is to come across the associations of consumers who are being exposed to a brand extension from a different product category. Moreover, our aim is to contribute to the knowledge of how consumers respond to these extended products, by investigating the influence of the parent brand. We were thus interested in the consumers' perceptions towards certain products and brands, as well as their ideas and associations driving them.

Following Aaker and Keller (1990), the extension must be logical. In this pre-test, 50 undergraduates assessed the fit of eight potential extensions of NIKE to identify one new product category for the brand, whether it is close to the parent brand overall image across its product areas or it is similar to parent brand category. Extension was chosen based on higher perceived fit at brand level and category level . Both perceived category fit (CF) and brand image fit (IF) were considered (Bhat and Reddy, 2001) in two Likert scales (1 =Not at all similar/7 =Very similar; 1 = Non-coherent/7 =Very coherent) .In order to test the prestige brand concept, the items from a prestige scale are used, namely prestigious ness, high status, and exclusivity (Kirmani et al., 1999). A few items from the functional brand concept scale, such as functionality (Bhat and Reddy, 1998).For Nike brand, "racing cycle" was selected. This extension showed a higher perceived fit at brand level as well as category level (CF = 5.26; BIF = 5.71).

The items in the questionnaire were measured by means of seven-point Likert scales. Respondents were requested to state their level of agreement with the specific statement (e.g., 1= strongly disagree, 7 = strongly agree). Likert-type scales are suitable to be used on internet surveys because they are easy to build and administer to the sample and the respondents are familiar with the use of these scales. The distinction made by several authors between category fit or similarity and image fit or consistency with brand image (Park et al., 1991; Bhat and Reddy, 2001; Grime et

al., 2002) was used to measure perceived fit. Thus, a series of items that assess fit from both perspectives (Aaker and Keller, 1990; Taylor and Bearden, 2002) were chosen. The items for logical fit perception (Tauber, 1981), were adopted from "Brand extension feedback effects: A holistic framework" by Abhishek Dwivedi, Bill Merrilees and Arthur Sweeney. Finally, extension attitude items were suggested by authors like Aaker and Keller (1990) or Pryor and Brodie (1998) considering both the general assessment of the new product and purchase intentions. Sample size for the final analysis is 283.

To test the reliability of the questions, the Cronbach alpha is useful. The Cronbach alpha measures how well the variables measure a single construct. The Cronbach alpha's in this research are all above the critical value 0.6. A reliability coefficient of 0.60 or even higher is considered as adequate. The internal consistency estimates of all the scales are above the cutoff point of 0.7 as recommended by Nunnally and Bernstein (1994).

III. Results & Discussion

A Confirmatory Factor analysis was executed to appraise the association between measures and data. Each item or component was restricted to load on its pre specified factor with the four first-order factors allowed to correlate freely. The statistical analysis started with the scale validation by means of confirmatory factorial techniques. As a result of these analyses, we eliminated LFIT4, since they did not meet the third of the convergent validity criteria established by Joreskog and Sorbom (1993): significant latent item-variable regression coefficients, standard factor loadings over 0.5 and R² coefficients over 0.5. As we can see in Table III, all the final scales showed suitable psychometric properties (Hair et al., 1998). Through structural equation modeling, we also found that the dimensions of perceived fit or similarity can be estimated jointly, given that they form a second-order factor. Goodness of fit indexes was .929, .963, .976 for AGFI, GFI and CFI.

Results as interpreted by the goodness of fit measures indicated that the model fits the data well. Since the chi square statistics are sensitive to sample size, additional fit measures (independent of sample size) were calculated to assess the fit. This model achieved .922, .949, .967, .967, .956 for AGFI, GFI, CFI, IFI and TLI, respectively (values of .90 or greater are recommended for an acceptable fit); and 0.050 for RMSEA (Value of .06 or less is recommended for an acceptable fit, Hu & Bentler, 1999). The chi-square value divided by degrees of freedom is 1.712, being below three confirm an acceptable fit.

Assessment of Validity

We assessed the validity of the scale to know whether the items measure the intended concept. Three different types of validity were examined.

Convergent validity

For a convergent validity check, we followed Bagozzi and Yi's (1988) suggestions that all items loaded on their hypothesized dimensions and the estimates were positive and significant. As Table 5 and 6 reports, all items demonstrated adequate convergent validity. (Table 5)

Construct validity

Construct validity is the extent to which a set of measured items truly reflects the specified theoretical latent construct those items are intended to measure. Construct validity was evidenced by the large and significant standardized loadings, with an average loading size of .70. Composite reliability, which is a estimate of internal consistency analogous to Cronbach's alpha (Fornell and Larcker 1981), was higher than the minimum recommended level of 0.60, and in every dimensions of construct it exceeded the preferred level of 0.7 (Churchill 1979). (Table 6)

Discriminant Validity

To establish discriminant validity, the variance shared between a construct and any other construct in the model need to be assessed (Fornell et al., 1982). This was done by comparing the square root of the average variance extracted for a given construct with the correlations between that construct and all other constructs. If the square roots of the AVEs were greater than the off-diagonal elements in the corresponding rows and columns, it suggested that the given construct was more strongly correlated with its indicators than with the other constructs in the model; and discriminant validity was achieved.

Path Analysis

Next, the tests for the hypotheses were conducted by examining the significance of the latent variable path estimates. The hypothesized relationships in Figure 1 were tested using AMOS 18.0 (Arbuckle, J. L. 2007) through path analysis. As shown in Table 4, the results indicated a good fit of the model: the ratio of chi-square to degrees of freedom and CFI are all in acceptable range ($\chi^2/df = 1.769$, AGFI = 0.920, GFI = 0.946, CFI = 0.963, TLI = 0.953, RMSEA = 0.052).

The results clearly demonstrate the importance of both

product feature similarity (H1) and brand concept consistency in understanding brand-extension evaluations (H2). Specifically, the data suggest that concept consistency may have a greater effect on making logical association than category related brand extensions. One major implication of this result is the unique characteristics of an image oriented brand name remains in memory and maintaining that provides a brand further extendibility opportunity. The logical fit perception concept is found very dominating force in brand extension success (H3).

IV. Managerial Implications

Managers should focus on maintaining a logical image and ensuring a high degree of similarity with other products of the firm when launching a brand extension thus reducing the possible dilution effects on the parent brand. This result is consistent with the previous research for example, Park et al. (1991) found that extensions were rated more favorably when the extension category concept was similar in image to the parent brand concept. Bottomley and Doyle (1996) also point out brand concept consistency as a better facilitator of brand extension acceptance than product related similarity (used in A & K) model. Again, in line with previous research, the result indicating that perceived fit is one of the most important determinants of brand extension success (Aaker and Keller, 1990; Vořlkner and Sattler, 2006). Therefore, if companies cannot guarantee a high level of perceived fit, managers should consider creating a new brand. They may also consider other options such as using two brand names (Park et al., 1993; Milberg et al., 1997; Grime et al., 2002) or sub branding etc. Perceived fit can also be heightened by marketing mix variables, such as advertising influences (Bridges, Keller and Sood 2000, Lane; 2000) providing a plausible association between the extension and the parent brand (Bridges, Keller and Sood 2000, Lane; 2000).

Some authors like Milberg et al. (1997) have proved that low-fit extensions generate negative feedback in terms of attributes or image. Similarly, Martýnez and de Chernatony (2004) verified fit has a positive effect on the image for tangible product extensions. Other works equally suggest that the impact of brand extensions on the parent brand is directly related to similarity (Martýnez and Pina, 2003) or image fit (Loken and John, 1993; John et al., 1998).

Future scope

The work on decomposed similarity effect can be further extended following the study of Park, Milberg & Lawson (1991). The study further can be extended to find the inter-

relationship between abstract or symbolic concept consistency and product feature and usage consistency.

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Table 1: Conceptual and empirical evidences on the two dimensions of the fit construct

<p>Conceptual and empirical evidence on the two dimensions of the fit construct</p> <p>Conceptualization of fit that refers to the extent to which consumers accept the new product as logical and would expect it from the (parent) brand.</p>	<p>Category fit and Brand fit</p> <p>Logical fit association may base for any type of fit dimension</p>	<p>Park, Milberg & Lawson, 1991; Park & McCarthy, 1993, Bhat&Reddy ,1997, 2001; Bridges, Keller &Sood, 2000; Swaminathan, Fox & Reddy, 2001 ; Grime et al. , 2002 ; Czellar , 2003; VÖlckner& Sattler 2006.</p> <p>Tauber (1988)</p>
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Table 2: Measurement and Scaling

Parent brand	Parent category	Brand extension	Extension category
NIKE	Sports shoes and apparels	Racing cycle	Sports cycle

Table 3: Reliability Statistics

Cronbach's Alpha	N of Items
.809	14

Table 5: Assessment of validity

Scale items / Questions No	Standardized loading	Composite Reliability	VE
Brand image fit			
Bfit1	.711	.79	.55
Bfit2	.786		
Bfit3	.734		
Category fit			
Cfit1	.771	.76	.52
Cfit2	.700		
Cfit3	.689		
Extension attitude			
EXAT1	.727	.77	.53
EXAT2	.719		
EXAT3	.747		
Logical fit perception			
LFIT1	.859	.88	.64
LFIT2	.818		
LFIT3	.781		
LFIT5	.747		

Table 6 Discriminant Vvalidity

	Bfit	Cfit	Lfit	Exat
Bfit	.74			
Cfit	.200	.72		
Lfit	.361	.196	.80	
Exat	.231	.194	.250	.73

Table 7: Results of Hypotheses Testing

Hypothesis	Path estimates	t value	Significance	A / NA
H1: The greater the consumer image fit perception, the more positive logical fit perception.	.369	4.585	.000 < .05	A
H2: The greater the consumer category fit perception, the more positive logical fit perception.	.156	1.838	.066 < .10	A
H3: The more positive the logical fit perception , the more favorable the attitude to the extension.	.253	2.776	.000 < .05	A

Figure 1: Proposed Model

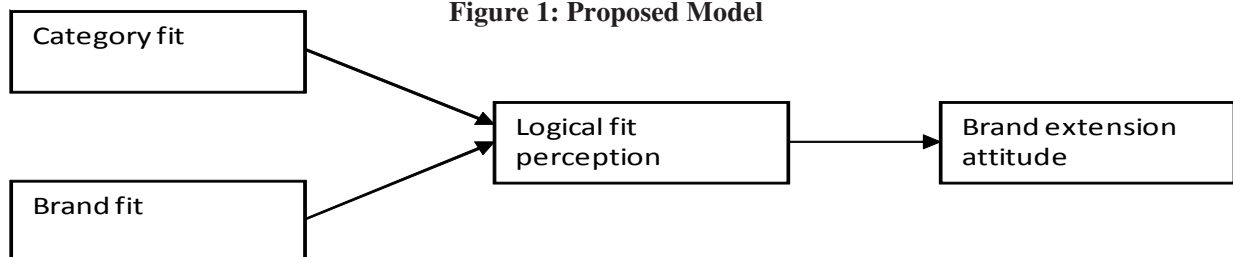


Figure 2: Measurement Model

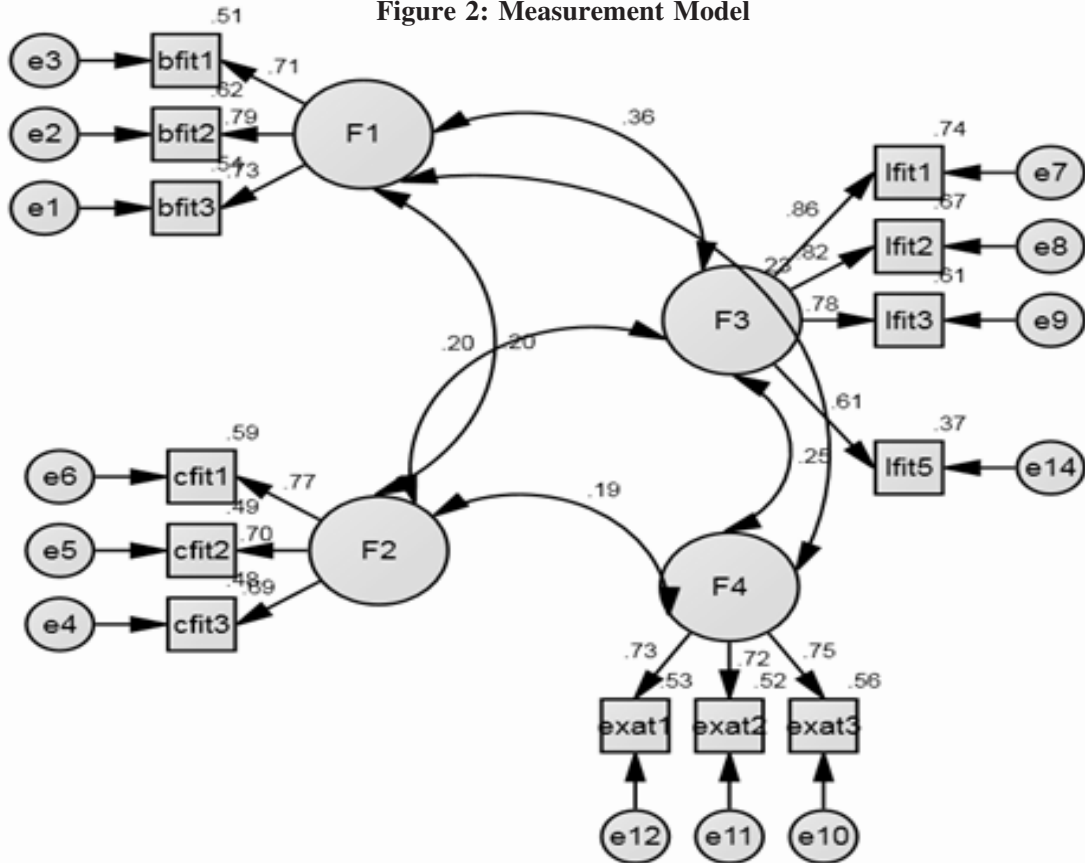
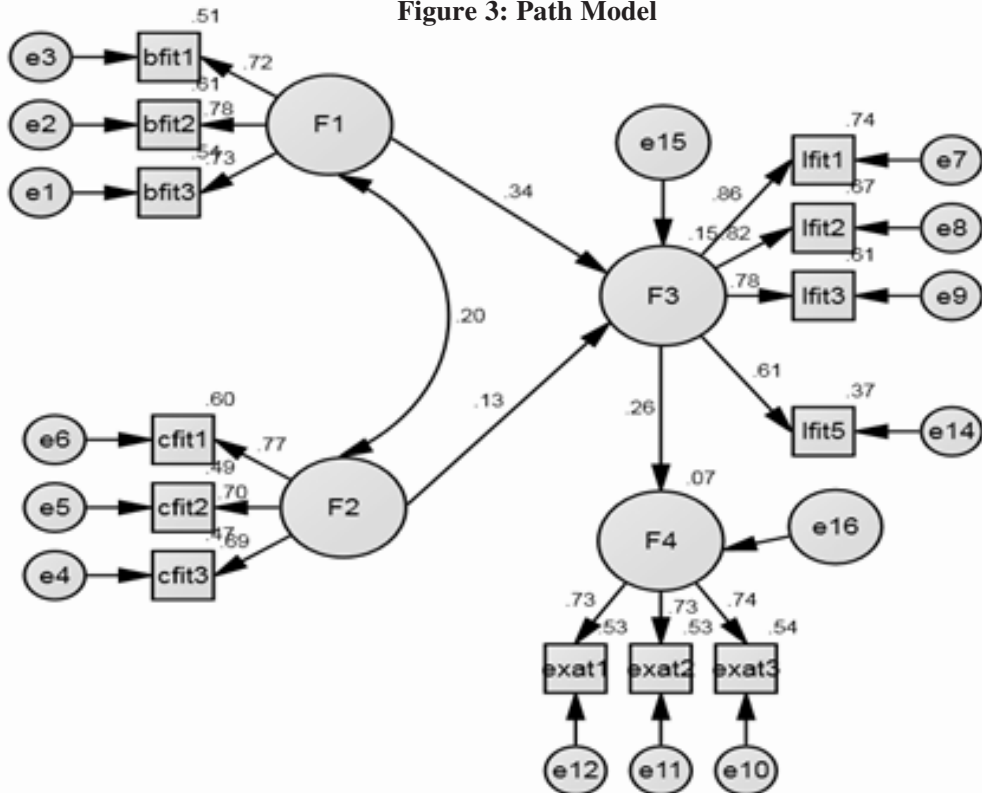


Figure 3: Path Model



FINANCIAL INCLUSION

AN OVERVIEW OF VARIOUS BUSINESS MODELS IN INDIA

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Financial Inclusion is a delivery of banking services and various financial products at an affordable price to the lower segment of people. There are still a vast majority of the people who are financially excluded in India. To embrace all the sections of the society particularly the poor disadvantaged group of our country, The Government of India has taken various initiatives during the past years. The Reserve Bank of India (RBI) has therefore, framed the policy of Financial Inclusion with a view to bring in the financially excluded people who lack basic financial infrastructure within the fold of inclusive segment. The present study is an overview of various business models and highlights the need and importance of these emerging profitable models which are in need to be adopted by all banks and financial institutions towards Financial Inclusion in India.

Inclusive economic growth has been one of the important agendas of the Government of India (GOI) over the past decade. It is widely acknowledged by all that inclusive economic growth cannot be reached without achieving Financial Inclusion. The change of economic reforms during the past years, has witnessed the key role played by banks in the achievement of higher growth of the Indian economy. While the benefits of growth due to reforms, have been concentrated in the hands of those already served by the formal financial system, a vast section of the society still does not have access to the formal banking channel. Further, the poor people and disadvantaged groups of the country, too, lack basic financial infrastructure. Empirical studies also show that small firms in countries with greater outreach and access face lower financing obstacles and grow at a higher rate (Beck et al, 2006). Indirect evidence corroborates the linkages between financial depth, growth, and poverty alleviation. Specifically, financial depth plays a role in lowering inequality and increasing the income of the bottom 80% of the population (Li et al, 1997). Finally, as Rutherford points out, provision of financial services to poor people need not only be for increasing income, empowering women, or starting small businesses – it may simply aim to help them “manage better what little money” they already have (Rutherford, 1996).

Meaning of Financial Inclusion

“Financial Inclusion is the process of ensuring access to appropriate financial products and services needed by vulnerable groups such as weaker section and low income groups at an affordable cost in a fair and transparent manner by mainstream Institutional players” as defined by the Committee on Financial Inclusion (Chairman, Dr. C. Rangarajan, 2008).

Objective

1. To study the major initiatives taken by RBI and its impact on the recent developments of Financial Inclusion
2. To highlight the importance of these emerging profitable business models and the need of adopting these business model in all banks and financial institutions for the sustainable growth of Financial Inclusion

The first section of the study identifies the recent initiatives taken by RBI and its impact on the recent developments of Financial Inclusion and the second section of the study emphasis the need of these emerging profitable business models to be adopted by banks and financial institutions for the sustainable growth of Financial Inclusion. The recent initiatives taken by RBI towards Financial Inclusion are as follows

Financial Inclusion – Policy initiatives

Branch expansion

Nationalization of commercial banks in India was an important step taken by RBI to provide banking services to the rural and semi urban population of the country. This vital step has led to the spread branches in unbanked rural and semi-urban areas. Even then with the many outreach of banks in rural and urban areas many farmers ,

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laborers and rural artisans did not receive adequate credit from banks during the post-nationalization period. More new ways for savings in the form of financial institution was limited. There has been a steady increase in providing various forms of financial services in the recent years. But the penetration of banking services in the rural and semi-urban areas has been much lesser than that in the urban areas. Further, the extension of banking services has been lower in the central, eastern and north-eastern regions of the country compared to the more developed northern, southern and western regions. In order to solve this issue, RBI relaxed its policy in December 2009 giving freedom to domestic scheduled commercial banks to open branches at Tier 3 to 6 centers (with population of up to 49,999 as per the Population Census of 2001) without having the need to take permission from RBI in each case, subject to reporting.

RBI's Initiative of Various schemes

No Frill accounts

As a proactive measure, the RBI in its Annual Policy Statement for the year 2005-06, while recognizing the concerns in regard to the banking practices that tend to exclude rather than attract vast sections of population, urged banks to review their existing practices to align them with the objective of Financial Inclusion. In the Mid Term Review of the Policy (2005-06), the RBI exhorted the banks, with a view to achieving greater Financial Inclusion, to make available a basic banking 'no frills' account either with nil or very minimum balances as well as charges that would make such accounts accessible to vast sections of the population (RBI, 2008). With a view to encourage transactions in No Frill accounts RBI has advised banks to provide small overdrafts (ODs) in such accounts. No Frill accounts make access to savings bank accounts affordable for the poor. They also help banks maintain higher Current Account and Savings Accounts (CASA), which would enable them to improve margins.

General Purpose Credit Card

In urban areas, credit cards enable households to manage to get their credit needs met by the banking system, with not only the ability to make purchases on credit but also facility to draw cash against card. In the rural areas, there are no points of sale or outlets where plastic cards can be used. Banks have been recently advised by RBI to provide a General purpose Credit Card (GCC) facility at their rural and semi urban branches. The credit facility extended under the scheme will be in the nature of revolving credit. The GCC-holder will be entitled to draw cash from the specified

branch of bank up to the limit sanctioned. However, the total credit facility under GCC for an individual should not exceed Rs.25, 000. (RBI, 2008)

Relaxation of KYC norms

In order to ensure that persons belonging to low income groups, both in urban and rural areas do not encounter difficulties in opening bank accounts, the know your customer (KYC) procedure for opening accounts was simplified for those accounts with balances not exceeding Rs.50,000 and credit limits not exceeding Rs.100,000 in a year. The simplified procedure allowed introduction by a customer on whom the full KYC drill had already been done. (RBI, 2008)

Technological innovations

(a) CBS, Smart Cards, Biometric Cards

Financial Inclusion could prove to be a very cost-effective business model if proper low-cost technology is adopted by commercial banks and other financial institutions. Such implementation of technology would reduce transaction costs of providing banking services in the rural, semi-urban and backward areas of the country. So there is a need for banks and other financial institutions to implement this low-cost technology models. To do so Government has come with technology-enabled projects, like the Unique Identification Number (UID) project, Core banking solutions(CBS) in Regional rural banks (RRBs) and cooperative credit institutions, mobile banking, hand-held devices, smart cards, bio-metric cards, routing of payment under government social schemes through banks and microfinance institutions that have the ability to transform Financial Inclusion system into mainstream banking business model.

There is a greater concentration of ATMs in urban areas than in rural areas. However, the number and percentage of ATMs in rural areas has been on a steady rise in recent years. The percentage of ATMs located in rural areas accounted for 28.4 percent of the total ATMs in the country at end-March 2009, which increased to 32.7 percent at end-March 2010 (RBI, 2010). There is still an urgent need to expand ATM network in the financially excluded regions of the country.

(b) IT-enabled Kisan credit card/General credit card

Kisan Credit Card (KCC) aims at providing effective and adequate support from the banking system to the farmers for their short term credit needs. Banking institutions need to convert KCC and General Credit Cards (GCC) to

electronic credit cards, which would help the farmers to withdraw cash from any ATMs in the country. Financial institutions may also consider issuing one card like multipurpose cards which could also be used as Debit Cards, KCC, and GCC, as per customer's needs. Any other financial services/products could also be embedded in the multipurpose card. The RBI has advised banks to consider introduction of a GCC facility up to INR 25,000 at their rural and semi-urban branches. The objective of the scheme is to provide hassle free credit to banks' customers based on the assessment of cash flow without insistence on security, purpose or end-use of the credit. (RBI, 2010).

(c) Mobile banking

There were 273.54 million mobile subscribers in Rural India, as on March 31, 2011 (TRAI, 2011). Thus, mobile phones could be a major instrument for rapid up scaling of Financial Inclusion. RBI's operative guidelines on Mobile Banking issued in October 2008 were reviewed and relaxed in December 2009 by enhancing the limits for mobile banking transactions up to INR 50,000 for both e-commerce and money transfer transactions, and permitting the money transfer facility up to INR 5,000 from a bank account to beneficiaries not having a bank account (RBI, 2010). Mobile banking presents banks with the lowest per-transaction cost. Further, value added services like fund transfer, payment of telephone/electricity bills and pre-paid mobile recharge could be enabled as these would benefit the customers a lot.

Business model of Financial Inclusion

The second section of this study highlight the importance of the emerging profitable business models and the need of adopting these business model in all banks and financial institutions for the sustainable growth of Financial Inclusion

SHG-Bank linkage program model

During the period of economic reforms in India , RBI has initiated an early step at Financial Inclusion by launching a Pilot Project on SHG-Bank linkage in February 1992 by NABARD. This early attempt proved as an asset to the Financial Inclusion program by reducing poverty through building and empowerment of the rural poor , especially women. Micro credit or Micro finance is a novel approach to "banking with the poor". The SHG-Bank Linkage Program provides an opportunity to embrace all the vast section of the society especially it makes the poor people to participate in the development process. Further benefit of SHG-Bank linkage program it is very

cost effective and it has opened has an avenue for the rural people to channel their savings in to investment. A study by Ahlin and Tounsed (2003) considered the presence of Joint liability loans versus individual loans on the basis of data gathered from Thailand. The study showed that the wealth level ;showed a 'U' – shaped relationship with group loans and it was also found that the higher probability of success of the project , higher is the likelihood of taking a group loan (Ahlin and Tounsed 2003). The SHG-Bank Linkage Program in India has emerged as the important Micro finance program in the world covering of 103 million low income households through 7.96 SHGs linked to banks (NABARD ,2012)

The initiative that has been taken in 1992 to extend the financial services & other products to the low income group and disadvantaged people through informal Self Help Groups (SHGs) has reached a greater mile stone in Financial Inclusion initiative. Self Help Groups approach is considered to be a decentralized approach , more cost effective and providing access to nearly over 103 million households through 8 million SHGs. The linkage with the bank system has helped the members of the SHGs to channel their savings and access to credit from the banking system. This has created a avenue for the poor people to channel their savings in to investment and also facilitated the empowerment process.

The small beginning of linking only 500 SHGs to banks in 1992, had grown to over 0.5 million SHGs by March 2002 and further to 8 million SHGs by March 2012. From almost 100% of the SHGs linked to Banks at the pilot stage from southern states, the share of southern States in the total number of SHGs linked shrank to 46% by March 2012, while the share of eastern States (especially, West Bengal, Orissa, Bihar) shot up to over 20%. (NABARD, 2012). There is a general belief that SHGs of the poor will be the vehicles leading India's emergence as a super economic power in the next decade. Many countries of the world particularly the developing countries and international agencies are looking up to India to learn from its Micro finance initiatives and explore possibilities of those models and spread the benefits of the models to other part of the world.

Business correspondent (BC) model

In order to promote Financial Inclusion among the rural people and unbanked area, the Reserve Bank of India has initiated a new strategy called as Business Correspondent (BC) Model. Under this new strategy bank can collaborate with third party agents to provide financial services such as credit and savings on their behalf. This strategy

emphasis on use of information and communication technology (ICT) to provide banking facilities through Business Correspondent (BC), who uses a hand-held device which is connected to the core bank's systems. In January 2006 RBI has issued a new guidelines for the engagement of BCs by banks for providing banking services in addition to the traditional 'brick and mortar' model that has been used by the banks. Under the BC Model, banks have been permitted to use the services of various entities like NGOs/SHGs, Farmers Clubs (FC), Microfinance Institutions (MFIs) and other Civil Society Organizations (CSOs), companies registered under Section 25 of the Companies Act, 1956, 'for profit' companies, retired Government/bank employees/teachers, ex-servicemen, individual owners of kirana/medical/Fair Price shops/individual PCO operators, agents of small savings schemes

Of GOI/Insurance companies, individuals who own petrol pumps, and Post Offices to act as BCs.

Business Facilitator Model

Under the Business Facilitator model, banks may use intermediaries, such as, NGOs/ Farmers' Clubs, cooperatives, community based organizations, IT enabled rural outlets of corporate entities, Post Offices, insurance agents, well functioning Panchayats, Village Knowledge Centre's, Agri Clinics/ Agri Business Centers, depending on the comfort level of the bank, for providing facilitation services. Such services may include (i) identification of borrowers and fitment of activities; (ii) collection and preliminary processing of loan applications including verification of primary information/data; (iii) creating awareness about savings and other products and education and advice on managing money and debt counseling; (iv) processing and submission of applications to banks; (v) promotion and nurturing Self Help Groups/ Joint Liability Groups; (vi) post-sanction monitoring; (vii) monitoring and handholding of Self Help Groups/ Joint Liability Groups/ Credit Groups/ others; and (viii) follow-up for recovery.(RBI,2006)

Financing joint liability groups (JLG) model

The Rangarajan Committee (Government of India, 2008) had recommended that adoption of the Joint Liability Group (JLG) concept could be another effective method for purveying credit to mid-segment clients such as small farmers, marginal farmers, tenant farmers, etc and thereby reduce their dependence on informal sources of credit. Studies conducted by NABARD, have shown that financing of JLGs is a good business proposition. It needs simplified

documentation, group dynamics, timely repayment culture and prospects of credit enhancement to quality clients. Keeping in view the need and findings of the studies, NABARD has issued comprehensive guidelines on JLGs to Banks focusing on small and marginal farmers, oral lessees, tenant farmers engaged in farm sector and other clients under non-farm activities. NABARD supports banks for nurturing and financing of JLGs for the initial three years. Banks can also use the services of JLG-promoting agencies. (NABARD, 2008).

MFI-bank linkage model

This model emphasis on financing of Microfinance Institutions (MFIs) by banking agencies for on-lending to SHGs. and other small borrowers. MFIs have been playing a important role in facilitating Financial Inclusion, as they help in reaching out to the vast section of rural population. Many of the MFIs operate in a remote area; thereby have a greater knowledge of the issues specific to the rural poor, and have greater flexibility in operations providing a level of comfort to the low income people.

The Committee on Financial Inclusion (Government of India, 2008) has, therefore, recommended that greater legitimacy, accountability and transparency will not only enable MFIs to source adequate debt and equity funds, but also eventually enable them to take and use savings as a low cost source for on-lending.

ICT-enabled mobile banking model

As per the directions of the RBI, scheduled commercial banks have framed an model based on Information and Communication technology (ICT) for accessing banking services to all villages with population above 2,000 falling under the lead district program by March 2012. With the progressment of this model banks have ICT-enabled Mobile Banking Vans (MBV) which could provide a cost-effective banking services there by spreading the banking services to the villages and unbanked areas of population . Bank of Baroda and Indian Bank have introduced MBVs to provide banking services in the financially excluded regions. The MBVs units have CBS connectivity to provide all banking services, including deposit and withdrawal of money. The model has already been successfully tested by Bank of Baroda in Gujarat and Bihar (Dr.Devesh Roy, 2012).

Up scaling SHG-Bank linkage program

The SHG-Bank Linkage Program over the past nineteen years has become the common vehicle in the development process, converging important development program. From the banker's side the SHG-Bank Linkage Program has

proved to be a very cost effective business model. Further, the recovery percentage of loans distributed to SHGs has been found to be around 90-95 percent. Estimated number of families covered through SHGs are 103 million households. Therefore there is a need for a massive up scaling of SHG-Bank Linkage Program as the benefit of this program would take Financial Inclusion to each and every corner of the population, and also it would help the bank with profit making business model.(Dr.Devesh Roy, 2012)

Mainstreaming BC model

The BC model has the capability to fasten up the process of Financial Inclusion in India and bring the vast majority of population within the inclusive growth. An RBI Working Group (RBI, 2009) recognized the fact that the process of Financial Inclusion involves the three critical aspects of (a) access to banking markets, (b) access to credit markets and (c) financial education. The BC model should, therefore, emphasis on these critical three aspects in order to be able to address the issue of Financial Inclusion. Banks need to appreciate the benefits arising out of adopting the 'branchless' BC model and implement the same with missionary zeal so as to achieve the ultimate goal of Financial Inclusion (RBI, 2009).

There is a need to mainstream the BC Model by banks, by utilizing the services of SHGs, NGOs, Farmers Clubs, Post Offices, PACS, retired school teachers, and other suitable persons and agencies. There are 1,39,182 Post Offices in rural India, and they are in closest proximity (2 km on an average) to rural clients compared to branches of commercial banks, RRBs and cooperatives (5 km on an average) (Priyadarshie,2010). Thus Post Offices functioning as BCs, could lead to a massive expansion in the outreach of banks.

Demand-side interventions for Financial Inclusion

The Rangarajan Committee (Government of India, 2008) expressed the view that In order to improve the level of inclusion among people and regions with limited or weak demand for financial services, demand side efforts need to be undertaken including improving human and physical resource endowments, enhancing productivity, mitigating risk and strengthening market linkages. Technological innovations, infrastructure development, farm sector development and capacity building of SHGs, farmers and rural youth, are efforts on the demand side, which could make Financial Inclusion more widespread and sustainable.

Conclusion

Financial Inclusion provides low-cost banking services to the low income and backward population of the country. At the same time, from the banker's point of view it has proved to be a cost effective and profit oriented business model. It could be well reached and successful model by implementing low cost information and communication based technology, and provision of technical, financial and policy support from Government of India, RBI and NABARD. Profitable models for Financial Inclusion need to be adhered by banks and financial institutions in the form of No Frill accounts, BCs, BFs, SHG-Bank Linkage Program, Joint Liability Group financing, Financial Literacy, CBS and ICT-enabled KCC/GCC, multipurpose smart cards, mobile banking, and mobile banking vans(MBV) in the supply side. Demand side factors like IT innovations, development of rural infrastructure and development initiatives in the farm sector could lead to widespread and sustainable Financial Inclusion.

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Table 1: Important Milestones on Road to Financial Inclusion in India

1904	Setting up of Rural Cooperatives
1969	Nationalization of 14 major Commercial Banks
1975	Setting up of Regional Rural Banks
1990s	Self Help Group
2005	RBI advised banks to open no frill accounts
2006	RBI allowed BC/BF to act as agents of banks
Sept. 2010	RBI allowed for - profit companies (excluding NBFC) to act as Business Correspondent National Payment Corporation of India (NPCI) launched Interbank Mobile Payment System (IMPS)

Source: Report of the committee of Financial Inclusion 2008.

Table 2: Progress of banks of Financial Inclusion Plan in India

SR	Particulars	Year Ended Mar 10	Year Ended Mar 11	Year Ended Mar 12	Quarter Ended Mar 12	Progress April, 11 to March, 12
1	Total No. of Branches	85457	91145	99242	99771	8097
2	No. of Rural Branches	33433	34811	37471	37635	2660
3	No. of CSPs Deployed	34532	60993	116548	120098	55555
4	Banking outlets in Villages with population >2000	37791	66447	112130	113173	45683
5	Banking outlets in Villages with population <2000	29903	49761	69623	74855	19862
6	Banking Outlets through Brick & Mortar Branches	33378	34811	37471	37635	2660
7	Banking Outlets through BCs	34174	80802	141136	147167	60334
8	Banking Outlets through Other Modes	142	595	3146	3226	2551
9	Total Banking Outlets	67694	116208	181753	188028	65545
10	Urban Locations covered through BCs	447	3771	5891	6968	2120
11	No Frill A/Cs (No. In million)	73.45	104.76	138.50	147.94	33.74
12	Amount in No Frill A/Cs (Amt In billion)	55.02	76.12	120.41	119.35	44.29
13	No Frill A/Cs with OD (No. in million)	0.18	0.61	2.71	2.97	2.10
14	No Frill A/Cs with OD (Amt In billion)	0.10	0.26	1.08	1.21	0.82
15	KCCs-Total-No. In million	24.31	27.11	30.23	30.76	3.12
16	KCCs-Total-Amt In billion	1240.07	1600.05	2068.39	2094.00	468.34
17	GCC-Total-No. in million	1.39	1.70	2.11	2.29	0.41
18	GCC-Total-Amt In billion	35.11	35.07	41.84	43.21	6.77
19	ICT Based A/Cs-through BCs (No. in million)	13.26	31.65	57.08	62.77	25.44
20	ICT Based A/Cs-Transactions (No. In million)	26.52	84.16	141.09	45.96	141.09

Source: Reserve Bank of India (2012)

Table 3: Trends in banking parameters in India

Terms		31 st March	2007	2008	2009	2010	2011	2012
1. No. of Commercial Banks (a) Scheduled Commercial Banks <i>Of which:</i> Regional Rural Banks (b) Non-Scheduled Commercial Banks			183	173	170	168	167	173
			179	169	166	164	163	169
			96	90	86	83	82	82
			4	4	4	4	4	4
2. Distribution of New Branches (%)	Total		100	100	100	100	100	100
	Rural		9	14	18	19	24	33
	Semi-urban		31	31	32	33	41	37
	Urban		35	31	26	27	17	16
	Metro		26	24	24	21	18	14
3. Distribution of Deposits Accounts (%)	Total		100	100	100	100	100	..
	Rural		29	29	30	31	31	..
	Semi-urban		26	26	26	26	26	..
	Urban		22	22	21	21	21	..
	Metro		24	24	23	23	22	..
4. Distribution of Loan Accounts (%)	Total		100	100	100	100	100	..
	Rural		33	31	31	31	32	..
	Semi-urban		23	22	23	23	24	..
	Urban		14	13	13	14	14	..
	Metro		30	33	33	33	30	..
5. Average population per branch (in '000s)	Total		15.7	15.1	14.5	13.8	13.3	12.6
6. Number of Banked Centre's (Scheduled Commercial Banks)	Total		34399	34426	34636	34801	35151	

Source: Reserve Bank of India and Census data.

Figure 1: Business models of Financial Inclusion

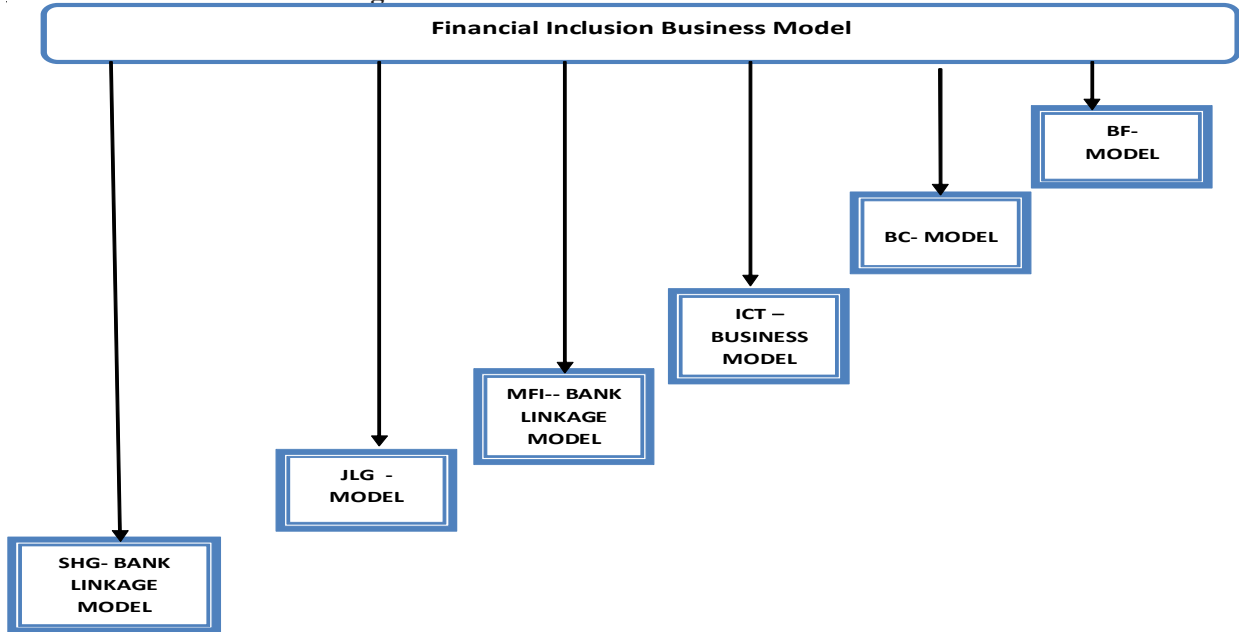


Figure 2: SHGs as on March 2012-Savings & Credit SHG-Bank Linkage - Highlights 2012
(Amount in crore rupees)

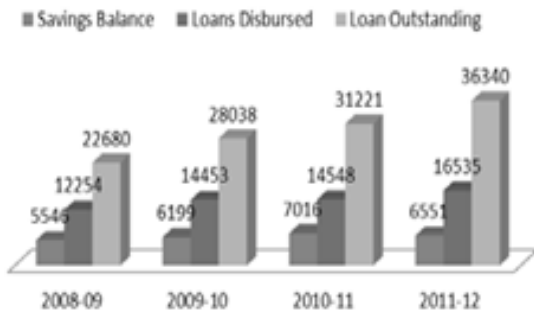


Figure 3: Average savings balance of SHGs with Banks-region wise Savings Balance per SHG with Banks Regionwise (In Rupees)

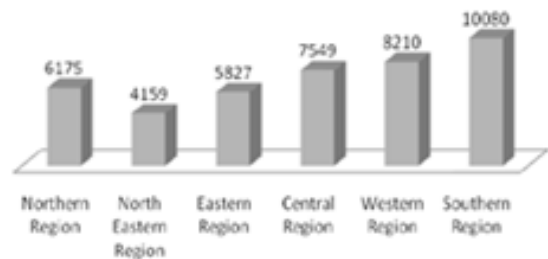
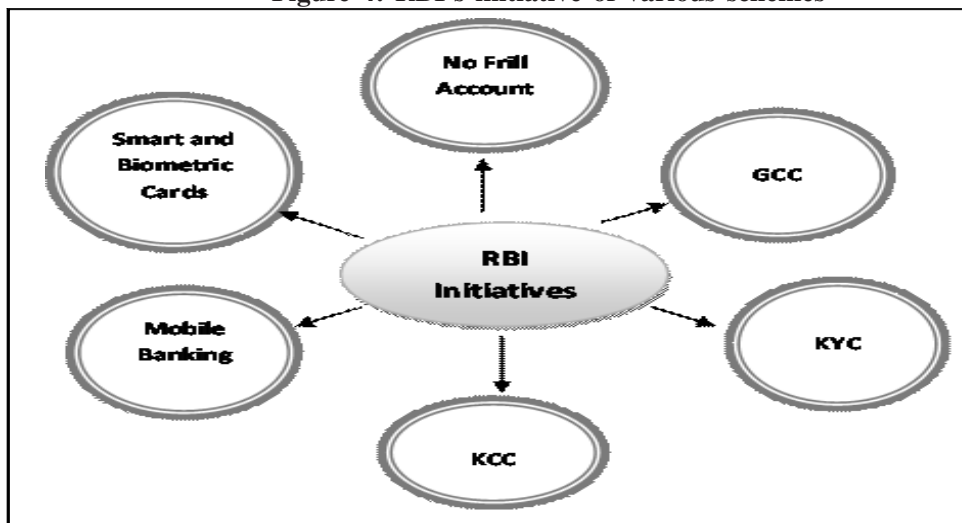


Figure 4: RBI's initiative of various schemes



PERCEPTIONS OF EMPLOYEES ON FACTORS AFFECTING WORK & FAMILY LIFE INTEGRATION

A SELECT STUDY OF SCHOOL TEACHERS

Saritha Madipelli★ V.V.S Sarma★★

These days an increasing number of employees are facing competing demands between work and family life. It is not an easy task to juggle with the pressing needs of both career and personal life. There is constant need for reducing stress in work-life and maintain harmony in both professional and personal life. But it is observed that there is a mismatch between individual values and organizational policies leading to work life imbalance resulting in high rate of attrition. The mismatch between the role expectations and actual contribution at home and at work place leads to imbalance. This leads to poor individual and institutional growth. The research paper is intended to examine the factors that affect work and family life integration among a sample of respondents representing teaching profession. The researcher identified some factors that are important for an employee equally in personal and professional areas. They are: feeling of energy, spending quality time, fulfilling responsibilities, ability to co-ordinate & communicate, feeling of stress, economic problems, low self esteem, lack of social support, pressures, ability to attend social gatherings, ability to manage time, feeling of discrimination, handling unusual situations, blocked creativity & initiative and lack of motivation. The integration between work and family life helps employees in leading a happy and stress free life.

Work life balance is a self-defined state that lets a person manage several responsibilities at work, at home and in the immediate community circle without guilt and stress of feelings of regret (Rashmi, 2007). Work and personal life are mutually dependent and play an integral part in an individual's life. Contemporary demographic changes such as increasing number of women in the workforce, dual career and nuclear families have generated an urgent need for employees to balance their work and non-work life (Baral & S.Bhargava, 2009).

“Employment pressures in the domain and care for the children, elderly and other dependents care in the family are often highly demanding and invariably incompatible with each other” (Rao & Ramasundaram, 2011). Personal support comes from an employee's spouse or partner, parents, siblings, children, extended family and friends'. Numerous studies have demonstrated that personal support is positively associated with the work-family balance (Marcinkus, W.C., Whelan-Berry, K.S., & Gordon, J.R., 2007). The problem of work life balance is clearly linked with withdrawal behavior, including turnover and non-genuine sick absence (Hughes, & Bozionelos, 2007).

In response to the demographic shifts, market changes, talent attrition and changing needs and demands of employees, organizations are applying employee-friendly strategies for attaining superior performance. Today, organizations are forced to look beyond mundane human

resources (HR) interventions and execute initiatives such as flexible working hours, alternative work arrangements, leave policies in lieu of family care responsibilities and employee assistance programs. These initiatives are referred to as 'family friendly policies' or 'work-life balance practices' (WLBP) in literature (Grover and Crooker, 1995; Kopelman, Prottas, Thompson and Jahn, 2006). A healthy balance between work and non-work roles enables many employees to concentrate more happily on personal and organizational welfare. Work and family life integration can be achieved when employees invest their time and energy effectively in personal and professional life.

I. Review of Literature

Over the past few decades, there have been considerable changes in the conventional patterns of paid work. An employee often considered that attending to family matters during office hours may give the impression of being less committed to work. Failure to maintain work life balance may result in significant emotional distress and reduction of productivity. Some individual's work more than 60 hours

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per week called “Workaholics” (Wayne, 1971) is not a clinical term, but it is generally used to describe individuals who neglect their personal lives in favor of work and career related pursuits. In the present scenario it is observed that there is a mismatch between individual values and organizational policies leading to lack of job satisfaction and work life imbalance resulting in high rate of attrition. Employees both men and women encounter great difficulties in balancing work and family life which leads to lower degree of job satisfaction (Vijaya & Hemamalini, 2011). Work life balance is an issue not just for individuals but for employers, the market, the state and society as a whole. The move from a single bread earner family model to one where both parents participate in paid employment has made it increasingly difficult to raise children while the work place continues to be moulded on male bread earner workers (Srivastava, 2011).

Globalization, working couples (dual earners), nuclear families and technology are some important factors contributing to work life imbalance (Sekar, 2009). In a national study on work life conflicts in Canada, in 2001, one in four Canadians reported that their work responsibilities interfered with ability to fulfill their responsibilities at home (Duxbury & Higgins, 2003). It is urged that paying attention to work life balance can have favorable outcomes both at personal and at organizational levels (Rosalie, 2009). According to Canadian Centre for Occupational Health and Safety (CCOHS) work life balance initiatives are any benefits, policies, or programs, that help create a better balance between the demands of job and the healthy management (and enjoyment) of life outside work (Harish, 2009). Work life imbalance leads to many individual and organizational consequences. Organizations where employees working with work life imbalance face decreased productivity, poor industrial relations, increased turnover, absenteeism and poor organizational development.

Organizations offer a wide range of work-family benefits and programmes to their employees, such as job sharing, telecommuting, job protected parental leave, part-time return to work options, flexi time, resource and referral services, paid family leave, improvement in job conditions, on-site childcare, support groups for facilities and canteen facilities (Lobel & Kossek, 1996; Rajadhyaksha & Smita, 2004). Research shows that flexible work arrangements allow individuals to integrate work and family responsibilities in time and space and are instrumental in achieving a healthy work and family balance (Bond, Galinsky, Lord, Staines, Brown, 1998; Galinsky, Bond & Friedman, 1993). Work life balance seems to have dual benefits for both the organizations and its employees.

Employers benefit by reduced absenteeism, increased retention, increased job satisfaction and employee commitment; while employees benefit with decreased stress related illness, decreased health care costs, lower role stressors and less interference of work in family life. Work place health initiatives can contribute to improved health, fitness, work life balance, better morale and lower levels of stress and fewer injuries (Harish, 2009).

The review so far made enabled that work and family integration is a major concern for all the people. Most of the employees experience imbalance in their work and family life due to the role conflicts, employment pressures, multiple roles, domestic responsibilities, child care, nature and attitude of superior and family members, competition etc. The literature also reveals that there are scanty studies on work and family integration towards school teachers. Though teaching is a comfortable profession, there are some incompatibilities felt by the teachers in integrating their personal and professional life. Thus there is a gap in the literature about work family life integration in the teachers. In this context, the present study could fill the gap in the literature by identifying the factors affecting work and family integration at work place and at home by taking a sample from school teachers.

Objectives of the study: The objectives of the proposed study are:

1. To examine the perceptions of teachers on various factors of work and family life integration.
2. To analyze the impact of the factors on work and family life integration.

II. Research Design & Methods

The present research work is basically an empirical study and is based on primary data; certain information is collected from secondary sources also. The main source of primary data is the information collected from select respondents of various schools. The secondary sources include data collected from the journals, magazines of related topic of research and the related websites. The study is based on a sample survey. For the purpose of survey, a sample of two schools has been selected based on convenience sampling technique. The final sample has come from the teachers of these schools. About 70 samples have been identified for the purpose of survey. At the end of the survey only 50 questionnaires are usable with respect to all the items completed. Thus, finally a sample of 50 respondents has been used for the study. The researchers have collected data by making personal visits to all the

respondents. At the first instance structured questionnaire has been handed over by making a request to the respondents to fill as per their convenience and the questionnaire has been collected by the researcher personally. In addition personal discussions were held to gather some information like their opinions on factors affecting work and family life integration in the two major areas of family and finance (professional) issues. The data collected had been analyzed by using factor analysis and inter-item correlation using principal component analysis and varimax rotation method. The different factors affecting work and family life integration are represented in the form of codes. They are (a) – Feeling of energy, (b) – Spending quality time, (c) - Fulfilling responsibilities, (d) – Lack of co-ordination & communication, (e) - Feeling of stress, (f) - Economic problems, (g) - Low self esteem, (h) - Lack of social support, (i) - Demanding pressures, (j) – Ability to attend social gatherings, (k) – Ability to manage time, (l) - Feeling of discrimination, (m) - Ability to handle unusual situations, (n) - Blocked creativity and (o) - Lack of motivation.

III. Results & Discussions

Table 1 shows Communalities for each variable. The Communalities for each variable were assessed to determine the amount of variance accounted for by the variable to be included in the factor rotations and the results are shown in table 1. All the variables had a value greater than 0.50 signifying substantial portions of the variance in the variables are accounted by the factors.

Table 2 (Rotated Component Matrix) shows the factor loading after rotation. For the purpose of analysis, a cut-off of 0.60 is used to identify high loadings. It is clear from the analysis that factor 1 comprises eight variables namely energetic all the time, fulfilling responsibilities, co-ordinate & communicate, economic problems, low self esteem, lack of social support, job pressures and lack of motivation. Factor 2 comprises of four variables namely attending social gathering, time management, discrimination and able to handle unusual situation. Factor 3 comprises of two variables namely spending quality time and diminished creativity and initiative. Factor 4 comprises of only one variable namely feeling of stress. These factors are clubbed together and termed as Self esteem, Cohesiveness, Assertiveness and Stress. Therefore we can conclude that the above four major factors significantly influences the perception of the employees in integrating work life.

Table 3 projects Total variance explained among the

variables taken for analysis. The principal component analysis in table 8 revealed the presence of four components with Eigen values exceeding criterion of 1, explaining 41.684, 29.389, 16.097 and 10.173 of the variance respectively and in combination explained 97.343 of variance. The four components which recorded Eigen values above 1 are energetic all the time, spending quality time, fulfilling responsibilities and ability to co-ordinate & communicate. These factors have been identified as primary factors which in general influences the perception of the employees in family life balance.

Table 4 shows Communalities for each variable. The Communalities for each variable were assessed to determine the amount of variance accounted for by the variable to be included in the factor rotations and the results are shown in table 4. From the analysis of table 4 it is revealed that, all the variables had a value greater than 0.50 signifying substantial portions of the variance in the variables are accounted by the factors.

Table 5 Rotated Component Matrix shows the factor loading after rotation. For the purpose of analysis, a cut-off of 0.60 is used to identify high loadings. It is clear from the analysis that factor 1 comprises eight variables namely energetic all the time, fulfilling responsibilities, co-ordinate & communicate, economic problems, low self esteem, lack of social support, job pressures and lack of motivation. Factor 2 comprises of four variables namely attending social gathering, time management, discrimination and able to handle unusual situation. Factor 3 comprises of two variables namely spending quality time and diminished creativity and initiative. Factor 4 comprises of only one variable namely feeling of stress. These factors are clubbed together and termed as Self esteem, Cohesiveness, Assertiveness and Stress. Therefore we can conclude that the above four major factors significantly influences the perception of the employees in integrating work life.

Table 6 projects Total variance explained among the variables taken for analysis. The principal component analysis in table: 3 revealed the presence of five components with Eigen values exceeding criterion of 1, explaining 26.013, 20.932, 16.288, 11.588 and 10.352 of the variance respectively and in combination explained 85.173 of variance. The five components which recorded Eigen values above 1 are feeling of energy, spending quality time, fulfilling responsibilities, co-ordinate & communicate and feeling of stress. These factors have been identified as primary factors which in general influences the perception of the employees in family life balance.

Table 7 & 8 depicts Inter-Item Correlation Matrix of factors effecting work life integration in professional life family life respectively and the results are presented in the form of table.

The results of Inter-Item Correlation Matrix (table 7 & 8) of factors affecting work life integration in the professional and family life are presented below and the interpretations are made by considering the correlation between variables with highest positive value. The results of total variance explained (table 3 & 6) reveals that out of 15 factors identified for the purpose of the study, only 4 factors in professional life (feeling of energy, spending quality time, fulfilling responsibilities and ability to co-ordinate & communicate) and 5 factors in family life (feeling of energy, spending quality time, fulfilling responsibilities, ability to co-ordinate & communicate and feeling of stress) are the major influencing factors in the integration of work and family life.

Feeling of energy: Energy is the most important factor which determines one's potentiality in integrating work and family life. From the analysis of correlation matrix (table 7 & 8) it is observed that the factor 'feeling of energy' has highest positive correlation with 'lack of motivation' in both the professional life and family life. Motivation is a kind of reward given to a person for the work done. It implies that a person without motivation may not be energetic and may not involve himself in the family life. Most of the teachers particularly women revealed that, sometimes they lack in getting motivation with their spouse and in-laws in some career related aspects. A good teacher is one who learns new things which are very important in making her teaching effective. Hence she has to undergo some training or refresher programs to have bright career. But due to lack of motivation from her family members and co-workers, she may not concentrate on such things and also she will not spend quality energy in her family life and work life. Hence teachers with lack of motivation, fail to be energetic, which is very important in integrating family life and professional life.

Spending quality time: Quality time implies the time spent with family members, friends and in work area that are very important, special, productive or profitable. Quality time is the real time or actual time spent on a particular task or with a person with complete dedication. It is time paid with genuine interest performing some favourite activity. The analysis reveals that spending quality time has positive correlation with 'low self esteem' in professional life and work life. Self-esteem is a disposition that a person has which represents their judgments of their

own worthiness (Olsen, Breckler, & Wiggins, 2008). Low self-esteem can result from various factors, including genetic factors, physical appearance or weight, socioeconomic status, or peer pressure or bullying (Jones 2003). Home and work are the two different worlds for working women (Abdul & Roshen, 2010). Most of the teachers fail to spend quality in work and family life due to low self esteem. Low self-esteem individuals are very critical of them and depend on the approval of others for their own evaluation of self-worthiness. They believe that a person's approval of them is dependent on their performance, whether it is academic, relationship, personal growth etc. People with low self-esteem view their likeability in terms of successes others will accept them if they succeed but will not if they fail. Hence teachers with low self esteem fail to spend quality time and may not integrate their work and family life.

Fulfilling responsibilities: An employee has lot of responsibilities to perform in his family life and work area. The analysis of correlation matrix reveals that fulfilling responsibilities has positive correlation with 'lack of social support'. Family care, commitment and work intensification are the major sources of work life conflicts (Cooke and Jing, 2009). Home and work are two different worlds; the motive of justifying to one role may cause injustice to the other. Most of the employees feel difficulty to balance their dual responsibilities towards family and career due to which they fail to get social support from their family members. A teacher has lot of responsibilities to do other than teaching i.e., giving notes, conducting tests, declaring results, mentoring the slow learners, discussing with parents about the child progress, managing their discipline, co-ordinating with peers, completing the assignment given by superior etc. To manage these multiple responsibilities one has get support from others. Most of the teachers expressed that social support from family members, friends and co-workers helps one to fulfil their responsibilities successfully. Hence people lacking social support may not fulfil responsibilities and fail in integrating work and family life.

Ability to co-ordinate & communicate: From the analysis it is revealed that lack of co-ordination & communication has a positive relationship with 'ability to handle unusual situations' in professional life and personal life. Co-ordination & communication are very important for an employee to run the activities in a smooth way. Man is a social animal; he has to maintain relationships with the society. As a part of his daily life, he need to co-ordinate and communicate with the people around him. Co-ordination and communication is very useful for a person, which

allows them to share their feelings with each other. The hostile environment at home and work area allows employees to discuss their problems during difficulties so that they can handle unusual situations. The teachers need to take 5 classes per day and each will be having one leisure class. During the leisure hour they need to conduct tests or reading class or any other activity for the students. During the course of discussions few teachers lamented that; they will not get any free time to communicate or co-ordinate with others. Due to lack of proper co-ordination & communication employees may not handle unusual situations. During discussions most of the teachers revealed that they fail to discuss many issues with the family members and co-workers due to which they face difficulty in handling some situations.

Feeling of stress: Stress occurs when a person is subjected to unusual situations, demands that are difficult to handle, or extreme expectations or pressures etc. Stress causes significant or persistent unhappiness to the employees. Most of the employees both men and women encounter difficulties in managing their stress from work and family life. Stress is causing a huge loss for both entities and families. Stress leads to many physical, psychological and intellectual problems for an employee, which inhibits him to fulfil his family, personal and organizational responsibilities. Feeling of stress has positive correlation with 'quality of time spent'. Most of the teachers lamented that due to multiple responsibilities they fail to spend quality time with their family members. An individual becomes a successful one, when his goals and time are properly balanced between personal and professional aspects. Spending towards family members is very important for an employee, which helps them in sharing their happiness and sorrows with family members. As the teachers fail to spend quality time with their personal life, they experience stress. Hence stress makes an imbalance between work and family life integration.

The further analysis of correlation matrix (table 7 & 8) reveals that the other variables are less influencing factors than above mentioned variables. They are: "economic problems, low self esteem, lack of social support, demanding pressures, social gathering, ability to manage time, feeling of discrimination, ability to handle unusual situations, blocked creativity and lack of motivation". Economic problems affect one's integration in professional and family life. Income determines one's standard of living. One's life satisfaction is highly influenced by his earnings. Cost of living is increasing day by day which is difficult for the employees to allocate their earnings to fulfil their personal or family needs. Self esteem also affects the

employees in integrating work and family life. Branden in 1969 defined self-esteem as "the experience of being competent to cope with the basic challenges of life and being worthy of happiness." Employees with low self esteem may not contribute to their responsibilities positively, which lead to poor results. Social support is the physical and emotional comfort given to us by our family, friends, co-workers and others. It knows that we are part of a community of people who love and care for us, and value and think well of us. People need social support both at the good times and the bad. Maintaining a healthy social support network is hard work and something that requires ongoing effort over time. Multiple responsibilities in personal and professional life affect an employee in integrating work and family life. Man is a social animal, he must be a part of society and involve in the activities happening around him. But due to lucrative job assignments and unhealthy relationships in the family life employees fail to attend social gatherings.

The supply of time is very limited, while the demand for it is limitless. According to North (2004), Time management is the organization of tasks or events by first estimating how much time a task will take to be completed, when it must be completed, and then adjusting events that would interfere with its completion so that completion is reached in the appropriate amount of time. Discrimination is the prejudicial and/or distinguishing treatment of an individual based on their actual or perceived membership in a certain group or category, "in a way that is worse than the way people are usually treated" (Cambridge Dictionaries Online). Discrimination may be on the different attributes which include age, disability, ethnicity, gender, gender identity, height, nationality, religion, sexual orientation, skin color and weight. In spite of advancements in every sector, most of the employees particularly women experience discrimination from their opposite gender. Future is uncertain and unpredictable. It may be difficulty for an employee to travel on two boats i.e., work and non-work roles at a time successfully.

Employees paying attention towards one role may affect their concentration towards the other. Creativity encourages people to take initiative and develop a sense of personal responsibility and commitment to the quality of what they deliver. Creativity is the driver that helps a person produces the very best thing they can possibly make. Motivation is an encouragement given to a person to do a particular task. Motivation enhances liberty and creativity among the employees. Motivation in personal life or professional life enables an employee to perform his/her responsibilities enthusiastically.

IV. Conclusion

Work life integration is a very sensitive issue which has many individual and organizational reasons. The problem arises when people fail in balancing their work and family responsibilities. The researcher strongly feels that the healthy integration between work and family life can enhance individual and institutional effectiveness. The researcher tried to identify some common factors affecting work life integration at work place and home. From the perceptions of teachers it is found that most of the teachers face imbalance at home (family) due to inadequacy in Self actualization, Commitment, Co-operation, Energetic and Attending social gathering. Similarly in professional life Self esteem, Cohesiveness, Assertiveness and Stress are the factors which show significant impact in integrating family and professional (finance) life. It is in this context, human resource development programs for teachers in the same lines as executive development programs in the corporate shall be thought of in the educational service sector. Some of the programs can include such significant areas as establishing work and family goals developing an integrated mind and heart towards profession and family, stress management, time management, change management and developing effective interpersonal integration in the family. Hence the government and educational institutions should frame effective human resource policies for achieving work life integration which fosters individual as well as institutional growth. This effort also builds value and productivity oriented future society.

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Table 1: Communalities of Work Life Integration in Professional Life

Factor	Raw		Rescaled	
	Initial	Extraction	Initial	Extraction
a	1.612	1.552	1.000	.963
b	1.392	1.370	1.000	.984
c	1.516	1.493	1.000	.985
d	1.334	1.334	1.000	1.000
e	1.685	1.663	1.000	.987
f	1.461	1.453	1.000	.995
g	1.033	.940	1.000	.910
h	1.009	1.003	1.000	.994
i	1.009	1.003	1.000	.994
j	2.158	2.108	1.000	.977
k	2.133	2.092	1.000	.981
l	1.621	1.585	1.000	.978
m	1.691	1.650	1.000	.976
n	1.621	1.611	1.000	.994
o	1.516	1.341	1.000	.884

Table 2: Rotated Component Matrix of Work Life Integration in Professional Life

Factor	Raw				Rescaled			
	Component				Component			
	1	2	3	4	1	2	3	4
a	1.149	-.354	.013	.327	.905	-.279	.011	.257
b	.133	-.185	1.127	-.221	.113	-.157	.955	-.187
c	1.117	-.451	-.005	.208	.907	-.366	-.004	.169
d	.894	.556	-.005	.476	.774	.481	-.005	.412
e	.132	-.017	-.026	1.282	.102	-.013	-.020	.988
f	.931	.225	.717	.145	.771	.187	.593	.120
g	.889	-.199	-.310	-.119	.875	-.196	-.305	-.117
h	.984	.157	.057	-.085	.979	.157	.057	-.085
i	.984	.157	.057	-.085	.979	.157	.057	-.085
j	.462	1.248	-.580	-.024	.315	.849	-.395	-.016
k	-.062	1.389	-.051	-.395	-.043	.951	-.035	-.270
l	-.371	1.141	.218	.312	-.291	.896	.171	.245
m	.050	1.157	.528	.170	.039	.890	.406	.131
n	-.308	.576	1.050	.287	-.242	.453	.825	.225
o	.841	-.770	-.173	.098	.683	-.626	-.141	.080

Table 3: Total Variance Explained of Work Life Integration in Professional Life

	Component	Initial Eigenvalues ^a			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
		Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
Raw	a	8.948	39.261	39.261	8.948	39.261	39.261	8.154	35.778	35.778
	b	7.405	32.492	71.753	7.405	32.492	71.753	7.866	34.513	70.291
	c	3.586	15.733	87.486	3.586	15.733	87.486	3.684	16.164	86.455
	d	2.260	9.915	97.401	2.260	9.915	97.401	2.495	10.946	97.401
Rescaled	a	8.948	39.261	39.261	6.041	40.277	40.277	6.253	41.684	41.684
	b	7.405	32.492	71.753	4.868	32.451	72.728	4.408	29.389	71.072
	c	3.586	15.733	87.486	2.256	15.040	87.768	2.415	16.097	87.170
	d	2.260	9.915	97.401	1.436	9.574	97.343	1.526	10.173	97.343

Table 4: Communalities of Work Life Integration in Professional Life

Factors	Raw		Rescaled	
	Initial	Extraction	Initial	Extraction
<i>a</i>	.456	.406	1.000	.892
<i>b</i>	.488	.398	1.000	.816
<i>c</i>	2.092	1.849	1.000	.884
<i>d</i>	1.269	1.068	1.000	.841
<i>e</i>	.622	.431	1.000	.692
<i>f</i>	.379	.338	1.000	.891
<i>g</i>	1.878	1.767	1.000	.941
<i>h</i>	1.871	1.731	1.000	.925
<i>i</i>	1.081	.871	1.000	.805
<i>j</i>	1.510	1.412	1.000	.935
<i>k</i>	1.561	1.326	1.000	.849
<i>l</i>	.816	.707	1.000	.866
<i>m</i>	.645	.373	1.000	.579
<i>n</i>	1.506	1.426	1.000	.947
<i>o</i>	1.249	1.139	1.000	.912

Table 5: Rotated Component Matrix of Work Life Integration in Family Life

Factors	Raw					Rescaled				
	Component					Component				
	1	2	3	4	5	1	2	3	4	5
<i>a</i>	.060	.044	-.134	.616	.059	.088	.066	-.198	.912	.088
<i>b</i>	.601	.153	.105	-.036	.041	.860	.219	.150	-.052	.059
<i>c</i>	-1.060	.094	.799	-.102	-.262	-.733	.065	.552	-.070	-.181
<i>d</i>	.000	.196	1.012	.058	.031	.000	.174	.899	.052	.027
<i>e</i>	.422	.372	.091	.085	-.314	.535	.471	.115	.108	-.398
<i>f</i>	.173	.472	.148	.190	-.164	.282	.767	.240	.309	-.266
<i>g</i>	1.162	.390	.005	.452	-.247	.848	.285	.003	.330	-.181
<i>h</i>	-1.169	.320	.439	.210	.158	-.855	.234	.321	.154	.115
<i>i</i>	-.060	.907	.139	-.128	-.093	-.057	.872	.134	-.123	-.090
<i>j</i>	-.096	-.310	.193	.036	1.126	-.078	-.253	.157	.030	.916
<i>k</i>	.175	.674	.440	.394	.702	.140	.539	.352	.316	.561
<i>l</i>	.581	.519	.037	.315	-.001	.643	.574	.041	.348	-.001
<i>m</i>	.000	.195	.532	-.121	.193	.000	.242	.663	-.150	.241
<i>n</i>	.659	.742	-.122	-.649	.068	.537	.605	-.099	-.529	.055
<i>o</i>	.300	.544	-.772	.381	-.107	.268	.487	-.691	.341	-.095

Table 6: Total Variance Explained of Work Family Integration in Family life

	Component	Initial Eigenvalues ^a			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
		Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
Raw	1	6.498	37.293	37.293	6.498	37.293	37.293	5.318	30.518	30.518
	2	3.707	21.278	58.571	3.707	21.278	58.571	3.216	18.457	48.975
	3	2.193	12.588	71.159	2.193	12.588	71.159	3.061	17.569	66.544
	4	1.579	9.062	80.221	1.579	9.062	80.221	1.540	8.837	75.382
	5	1.265	7.262	87.483	1.265	7.262	87.483	2.108	12.101	87.483
Rescaled	1	6.498	37.293	37.293	4.948	32.988	32.988	3.902	26.013	26.013
	2	3.707	21.278	58.571	3.392	22.613	55.601	3.140	20.932	46.945
	3	2.193	12.588	71.159	1.683	11.222	66.823	2.443	16.288	63.233
	4	1.579	9.062	80.221	1.685	11.233	78.056	1.738	11.588	74.821
	5	1.265	7.262	87.483	1.068	7.117	85.173	1.553	10.352	85.173

Extraction Method: Principal Component Analysis.

Source: Questionnaire

Table 7: Correlation Matrix Work Life Integration in Professional Life

<i>Factors</i>	<i>a</i>	<i>b</i>	<i>C</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>	<i>k</i>	<i>l</i>	<i>m</i>	<i>N</i>	<i>o</i>
<i>a</i>	1.000	-.005	-.326	-.101	.084	.238	.397	.083	-.042	.034	.266	.375	-.140	-.361	.447
<i>b</i>	-.005	1.000	-.493	.030	.474	.501	.789	-.601	.085	-.081	.351	.705	.201	.625	.148
<i>c</i>	-.326	-.493	1.000	.430	-.331	.099	-.556	.765	.091	-.023	.040	-.359	.230	-.337	-.544
<i>d</i>	-.101	.030	.430	1.000	.273	.276	.026	.296	.391	.159	.399	.068	.619	-.059	-.452
<i>e</i>	.084	.601	-.331	.273	1.000	.542	.585	-.386	.525	-.505	.197	.474	.138	.382	.410
<i>f</i>	.238	.501	.099	.276	.785	1.000	.542	.027	.581	-.410	.517	.653	.159	.454	.407
<i>g</i>	.397	.789	-.556	.026	.585	.653	1.000	-.588	.143	-.267	.226	.874	-.019	.486	.480
<i>h</i>	.083	-.601	.765	.296	-.386	.027	-.588	1.000	.245	.172	.167	-.304	.391	-.395	-.329
<i>i</i>	-.042	.085	.091	.391	.525	.581	.143	.245	1.000	-.252	.369	.317	.287	.470	.293
<i>j</i>	.034	-.081	-.023	.159	-.505	-.410	-.267	.172	-.252	1.000	.359	-.147	.240	-.173	-.291
<i>k</i>	.517	.351	.040	.399	.197	.266	.226	.167	.369	.359	1.000	.488	.335	.220	.080
<i>l</i>	.375	.705	-.359	.068	.601	.785	.874	-.304	.317	-.147	.488	1.000	.107	.563	.529
<i>m</i>	-.140	.201	.230	.619	.138	.159	-.019	.391	.287	.240	.335	.107	1.000	.164	-.396
<i>n</i>	-.361	.304	-.337	-.059	.382	.454	.486	-.395	.470	-.173	.220	.563	.164	1.000	.625
<i>o</i>	.447	.148	-.544	-.452	.410	.407	-.319	.529	.293	-.291	.080	.480	-.396	.304	1.000

Table 8: Correlation Matrix of Work Life Integration in Family Life

<i>Factors</i>	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>	<i>k</i>	<i>l</i>	<i>m</i>	<i>n</i>	<i>o</i>
<i>a</i>	1.000	-.005	-.326	-.101	.084	.238	.397	.083	-.042	.034	.266	.375	-.140	-.361	.447
<i>b</i>	-.005	1.000	-.493	.030	.474	.501	.789	-.601	.085	-.081	.351	.705	.201	.625	.148
<i>c</i>	-.326	-.493	1.000	.430	-.331	.099	-.556	.765	.091	-.023	.040	-.359	.230	-.337	-.544
<i>d</i>	-.101	.030	.430	1.000	.273	.276	.026	.296	.391	.159	.399	.068	.619	-.059	-.452
<i>e</i>	.084	.601	-.331	.273	1.000	.542	.585	-.386	.525	-.505	.197	.474	.138	.382	.410
<i>f</i>	.238	.501	.099	.276	.785	1.000	.542	.027	.581	-.410	.517	.653	.159	.454	.407
<i>g</i>	.397	.789	-.556	.026	.585	.653	1.000	-.588	.143	-.267	.226	.874	-.019	.486	.480
<i>h</i>	.083	-.601	.765	.296	-.386	.027	-.588	1.000	.245	.172	.167	-.304	.391	-.395	-.329
<i>i</i>	-.042	.085	.091	.391	.525	.581	.143	.245	1.000	-.252	.369	.317	.287	.470	.293
<i>j</i>	.034	-.081	-.023	.159	-.505	-.410	-.267	.172	-.252	1.000	.359	-.147	.240	-.173	-.291
<i>k</i>	.517	.351	.040	.399	.197	.266	.226	.167	.369	.359	1.000	.488	.335	.220	.080
<i>l</i>	.375	.705	-.359	.068	.601	.785	.874	-.304	.317	-.147	.488	1.000	.107	.563	.529
<i>m</i>	-.140	.201	.230	.619	.138	.159	-.019	.391	.287	.240	.335	.107	1.000	.164	-.396
<i>n</i>	-.361	.304	-.337	-.059	.382	.454	.486	-.395	.470	-.173	.220	.563	.164	1.000	.625
<i>o</i>	.447	.148	-.544	-.452	.410	.407	-.319	.529	.293	-.291	.080	.480	-.396	.304	1.000

AN EMPIRICAL STUDY ON THE “TOP OF THE MIND AWARENESS” BEING THE LEADING CONSIDERATION FOR PURCHASING THE PRODUCT (WITH SPECIAL REFERENCE TO AERATED DRINKS)

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As a part of the marketing efforts, companies indulge in various promotional activities and this helps in the continuous reinforcement of the awareness about the products. The consumers on their part tend to remember such products and their features which are advertised / publicised repeatedly. The self-awareness, product usage and the promotional environment created by the companies motivate the consumer to use a particular brand which comes first in their mind. With this mindset, the study has attempted to examine the matching of the overall relationship of “Top of the Mind Awareness” and the consumer brand preferences and its usage. The study has investigated the factors affecting a brand to be the first one in the consumers mind. For this purpose, data was collected from a sample of 250 respondents top of mind, who are the regular users of aerated drinks in Delhi/NCR by administering self made questionnaire, through purposively sampling technique (non- probability sampling technique). Percentage method has been used to analyse the data.

As a part of the marketing environment, many companies and brand managers make one their purposes to get their product or brand “Top of Mind”. Many companies spend huge amount of money to establish their brand and be there in the hearts of their customers. The companies make efforts to build brand awareness by media exposure through internet, radio, newspapers, television, magazines and social media. Top of mind awareness is a way to measure how best a brand ranks in the minds of consumers.

The customers before making purchase decisions are encountered with wide variety of products. In order to fulfill certain needs and to buy particular products or services, at times, they think of a specific brand / outlet due to various factors like consistent good quality, positive publicity, reasonable prices, product exposure etc. When, without any effort, the customers name a product for purchasing, it is the result of top of mind awareness. The purpose of this study is to analyses this behavior of the customers and the factors which lead to this behavior and top of mind approach. Many companies have achieved top of mind awareness on the part of the customers who invariably keep certain brands or products as a first in their priority list for purchase. The product chosen in our study is aerated drinks, which are chosen instantly and whatever comes first in mind, is normally purchased. The study has made the analysis of the reasons for customers to choose a specific brand or product, first. An attempt

has also been made to examine the factors that make a product or service occupy the top priority in the minds of the customers. The brand awareness exists at the bottom level of the awareness pyramid. A brand is recognized when a person is able to confirm the prior exposure. It is some sense / degree of familiarity which at times is sufficient for choice decision. This is particularly important under low involvement buying situation, especially when the decision is taken at the point of purchase. At a still higher level of awareness is the brand recall which is the ability to recall or remember a brand without any help when a cue about a product class is provided. The brand recall shows stronger brand position in the mind of the buyer. Then, at a still higher level of awareness is the top of mind recall. The brand that comes first to the mind.

Top of mind awareness (TOMA) happens when a customer, without prompting, names a specific brand first. If

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customers are satisfied and convinced with the features, usage of a brand of a particular product, it gets placed in their top of mind awareness. It is a part of the brand awareness which includes brand recognition and brand recall. The brand recognition is the ability to confirm the prior exposure of the product. The brand recall is the ability to remember the brand when a product is thought of. The brand awareness exists at three levels, brand recognition, brand recall and top of the mind recall.

The top of mind awareness shows the relative superiority of a brand which customers have over others. In the customer's profile, sometimes a brand achieves such a dominant position that it becomes the only recalled brand when a customer thinks of a product category. The marketer would like to achieve the brand dominance in the competitive environment as a dominant position of a brand would prevent other brands from getting in the buyers mind. Top of mind awareness is linked to the concept of dominant brand which is only considered by the buyer while making a purchase. As a matter of fact, very few brands are in a position to achieve dominance. Some examples of top of mind awareness, having dominance in the mind of consumers are Dettol antiseptic, Band-Aid, Colgate toothpaste etc.

A brand enjoying top of the mind awareness in the minds of the customers may be the result of extensive advertising support, long standing of the firm, consistent quality of the product, brand success etc. It means regular fulfillment of the promise of delivering quality and satisfaction to the buyers. It is also the commitment of the company to the brand. Top of mind awareness on the part of the customers show the best value attached to the brand by the users. The top of mind recall, also called mindshare also leads to market share for a company and its achievement in quantifiable terms. The top of mind brands are differentiated on the basis of perceived quality. The dimensions driving the relative superiority of a brand for a customer include brand's performance, social image, value and the trustworthiness.

The Top of mind awareness psychologically impacts consumers to think of a brand or product first, to fulfill a need, above many others. It is a brand or a specific product that comes first in customers' minds when thinking of a particular industry or a product category. It shows that "the percent of respondents who, without prompting, name a specific brand or product first".

On the part of the companies / marketers, TOMA can be achieved through the following strategies:

1. Defining and marketing the product or services as a specific solution for a particular purpose rather than using generalized marketing awareness about the brand.
2. Using the social media to reach large number of qualified prospective customers for the business, which can be done through free or paid advertising or full out media campaigns.
3. Including and displaying the personality and own unique personal perspective in all advertising and marketing. This will become the single most effective way to distinguish the product / service from others. The brands which connect personally with prospective buyers with a "context based" relationship get through to the average consumers and achieve TOMA.

When it comes to top of mind awareness for brands & products, the only way to increase the chances of being a favorite with the consumers is to consistently provide good marketing products and customer services to all customers. This in turn influences some of them more and become a perennial favorite. As the companies increase the exposure of their products and services, they indulge in various marketing and advertising activities, being the most traditional ways to build brand awareness. When consumers encounter the advertising of some brands daily, their exposure increases and it leads to the top of mind awareness. The social media has also gained popularity for advertisers as it builds brand awareness without the expenses of traditional media. As top of mind awareness predominantly results from brand awareness, the companies can adopt the following ways to improve the brand awareness.

1. Targeting a group of niche customers – a smaller, more targeted approach becomes more personal and easier to engage with the prospective customers which may result in attracting the focused group of customers.
2. Build brand awareness by regular communication.
3. The companies must use various media including social media to frequently post at different times of the day to capture audience attention.
4. Obtain & share feedback – The customers like to feel appreciated. Their opinions on products can be solicited and worked upon. The feedback and comments can be collected from happy clients and shared with others.
5. Reward customers – Every business wants regular customers. A free product or discounted service must be offered to the best customers to ensure that they keep on making repeat purchases more often and higher a company/ brand ranks on top of the mind awareness.

I. Review of Literature

Syed Habib Anwar Pasha, Muhammad Rehan Masoom (2013), in their study shows that customers show their highest level of awareness when they consider buying FMCG products. Customers mostly do not make conscious decisions while they are intended to buy toilet soap. There is a huge gap between top of the mind awareness of this brand and planning to buy that brand in the future. Products that are for regular usage, such as ball point pen and footwear are also less likely to be decided with proper awareness. Companies should develop their promotional strategy in effective manner so that brands of aforementioned product category always remain top in the mind of customer. However, if company faces problem of acquiring customers, it can plan vibrant and integrated communication campaign in order that customers of the other companies feel fascinated and switched to their brand.

Levy and Weitz, (2007), in their study say that TOMA will happen when consumers mention a specific brand name at the first place when they are asked about the type of retailer, a merchandise category, or a type of service. High TOMA means a specific retailer typically will be in serious consideration when consumers decide to shop for a type of product or service.

As per Belch and Belch (2004), the goal of most advertising and promotional strategies is to increase the possibility for its brand to be included in the consumer's evoked set and considering during alternative evaluation. One easy way to measure, the intensity of a brand's association within a product category is to compare the proportion of 'first mentions'. It receives relative to other brands using unaided brand recall (consumers are asked to name all the brands they can think of in product category within a specified time limit without any prompting from the interviewer). When consumers think about a product class, one or two brands usually come first to their mind.

Braun-LaTour and LaTour (2004), in their research study mentions that consumers can become familiar with brand name with or without being aware of their own learning i.e. an individual may indicate of being not aware, although his or her behavior shows otherwise.

The study by Aaker and Joachimsthaler, (2000), state that many of the variables like brand awareness, perceived quality and customer loyalty have a close association with brand equity and the effectiveness of any sorts of measurement must consider all these dimensions

Pierce and Hogan, (2000), say that 'Relative Awareness' is

a primary consideration that can be assessed by comparing a company's performance against its competitors of the same particular product

As per Kapferer, (1997), Brand awareness is the ability of a potential consumer to recognize or to recall the brand name as a type of retailer or product/service. Thus, brand awareness is the link that strengthens between the brand name and the merchandise or service category in consumers' mind. There is a range of awareness from aided recall to top-of-mind awareness. Aided recall is when consumers indicate they know the brand when the name is presented to them.

Laurent, et.al, (1995), state in their research that top of mind awareness is critical as it captures the 'consideration set' in a given purchase situation. Study on recall of pictorial advertisements as compared to non-pictorial advertisements indicate how much more effective they are to the rural consumers as compared to urban consumers. Various standard measures are being adopted by different researchers to understand the probability of buying a particular product with that of awareness. Primarily, there are three classical measures of brand awareness, (i) aided or Brand recognition i.e - either the brand name or both the brand name and category name are presented to respondents, (ii) spontaneous or Brand recall i.e - the product category name is given to respondents who are asked to recall as many brands as possible that are members of the category and (iii) top-of-mind awareness or TOMA i.e - as above, but only the first brand recalled is recorded (also known as spontaneous brand recall).

As per the study of Hoyer and Brown, (1990), the two important measure of brand awareness is brand recognition and recall.

Even Lynch and Srull, (1982), acknowledge that while they present three categories of choice situations, in reality, there are no purely stimulus based situations, where nothing is retrieved from memory and only the information present in the situation is used. Consumers rely on their memory to some degree, even when all of the options are there in front of them.

(Olson, (1975), in his study says that awareness is often being considered as some sort of bipolar process, indicating that consumers are either "aware" or they are "not aware" and repeated exposure of some stimulus like advertising will create awareness proving the fact that awareness is a continuum process though often which is not the case

As per Ehrenberg, Andrew S. C. (1974), to make a brand

name fully salient is to give it top-of-mind awareness where it will be the first brand brought to mind by the consumers in a search of internal memory when cued to recall information. Theoretical and empirical work has suggested that this may be a primary role of repetitive image advertising and other marketing communications; to change salience rather than to effect attitude change

Axelrod, J. N., (1968), in his study says that there are three widely used measures of brand awareness: top of mind, spontaneous and aided. Top of mind, or the first brand recalled in response to the product category cue, was one of the first brand awareness measures to receive attention, emerging as one of the best 'predictors' of choice in Axelrod's (1968) longitudinal study comparing different measures. Spontaneous awareness (i.e., unprompted recall of the brand name) and aided awareness (i.e., recognition of the brand name when prompted) are the other two commonly used measures

Objectives of the Study

The objectives of the study are:

1. To understand the impact of TOM awareness on consumption of soft drinks
2. To understand the consumption pyramid and the conversion rate of consumption vis-à-vis the TOM awareness
3. To understand the impact of celebrities on TOM awareness

3.1 Hypothesis

H1 – TOM has an impact on actual consumption of carbonated soft drinks

H2 – Higher TOM has higher consumption conversion rate

H3 – Advertisements awareness plays an important role in TOM

II. Research Design & Methods

For the current study, responses were gathered through a structured self-made questionnaire on a sample size of 250, chosen on the basis of purposive sampling technique (non-probability sampling technique) in Delhi/NCR, with the population within the age bracket of 18 years- 30 years. The survey was conducted in the months of January and February 2014. Since the primary purpose of the study is to generate insights about a situation, it is exploratory in nature and this has helped in understanding the situation better. This study is based on primary data collection and is self-administered. The secondary data was collected

from various published sources such as magazines, manuals, journals and internet.

III. Results & Discussion

Graph No.1 shows that brand awareness is highest for Coke (at 36%) and its Past 1 Week Consumption (P1W) is also highest at 46%. Coke is followed by Pepsi on TOM (31%) and also on P1W Consumption (43%). When we observe other brands viz. Thums Up, Mirinda, Fanta, Mountain Dew and Limca we see a similar trend of higher the TOM awareness for a brand, the higher the brand's Past 1 Week Consumption. Based on this data we can say that brand TOM has a direct relation with the Past 1 Week Consumption. Or we can say that a consumer who has a particular brand on top of his/her mind, will also consider/consume that particular brand when he/she goes to buy a soft drink.

Thus, H1 – Higher TOM has an impact on actual consumption of carbonated soft drinks is accepted.

As per Graph No. 2, we can see that the Coke has the highest TOM amongst all carbonated soft drink brands and it has a conversion rate of 82% from Ever Consumed to Past 3 Months (P3M) Consumption; 87% conversion rate from P3M to Past 1 Month (P1M) consumption; and 67% conversion rate from P1M to Past 1 Week (P1W) consumption. While Pepsi which is lower than Coke on TOM (31%) also follows a very similar conversion rate from Ever Consumed to P3M (81%); from P3M to P1M (82%) and from P1M to P1W (67%) consumption.

However Thums Up which is much lower on TOM vs. Coke and Pepsi has achieved higher conversion rates than these 2 brands on P3M to P1W: 63% conversion rate from Ever Consumed to P3M; 80% conversion rate from P3M to P1M; and 72% conversion rate from P1M to P1W. This implies that Thums Up has a relatively smaller group of consumers but these consumers are loyal in their consumption. Similarly Mountain Dew which is much lower than Limca on TOM has a higher conversion rate from Ever Consumed to P3M (54%) as compared to Limca (52%).

Thus, H2 – higher TOM has higher conversion rate, is rejected.

Graph No. 3 shows that 36% respondents have Coke as a brand on TOM as compared to Pepsi which is having 31%, whereas advertisement awareness of Pepsi is 28% and Coke at 22%. It can be seen that the TOM of Coke is 36% which is higher than Pepsi (31%). The brand TOM for Thums Up is 16% and advertisement TOM is 22%. This

is so as the advertisements for Thums Up have been very aggressive in the last few years in India, including advertisements through top celebrities. The TOM awareness is between 3-8% for brands like Mirinda, Fanta and Limca. However, the advertisement awareness of 8% for Mountain Dew is higher than the brand TOM awareness of 2%.

Pepsi has the highest advertisement top of the mind (AD TOM) and 2nd highest Brand TOM. Coke, though is lower on the AD TOM, its brand TOM is the highest at 36%. From the graph above we can see that the Ad & Brand TOM are not inter-related. However, a higher AD TOM for Pepsi at 28% vis-à-vis its brand TOM can be attributed to the fact that it had the highest no of Celebrities which the consumers liked as compared to any other soft drink brand. Similar is the case with Thums Up & Mountain Dew which even though have relatively lower brand TOM, have a higher Ad TOM on the back of celebrities that endorse these brands.

Thus, H3 – Advertisement awareness plays an important role in top of the mind awareness, is rejected.

IV. Conclusion

The top of the mind awareness is a very useful tool for the companies for their growth and this can be achieved by consistent delivery of quality, right priority pricing and offering unique features. The customers on their part keep some brands/products, first on their mind after continuous usage, error free performance and satisfaction for the product etc. The study shows that the top of mind awareness for Coke is 36% as compared to 31% for Pepsi. Similarly, the Past 1 Week consumption for Coke is highest at 46% followed by Pepsi at 43%. Thums Up which is number 3 on TOM (16%) is also number 3 on P1W consumption (34%). Thums Up is followed by Limca on both TOM and P1W (6% and 16% respectively). Similar trend has been seen for the remaining brands Mirinda, Mountain Dew and Fanta which follow the same hierarchy for both TOM and P1W.

We have also observed that the conversion rate of consumption for a brand (conversion from Ever Consumed to P3M; from P3M to P1M; and from P1M to P1W) is independent of a brand's TOM awareness. Though the consumption conversion rate is an important measure to understand the brand's loyal base, it is not related to the TOM awareness for a brand.

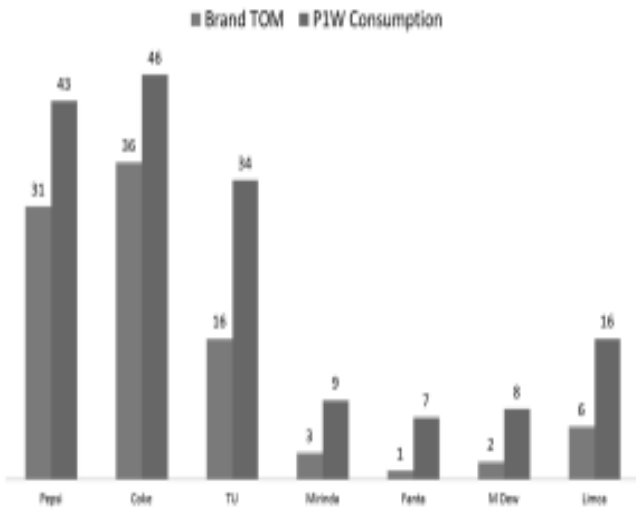
It is also seen that the advertisement top of mind awareness and brand top of mind awareness are not inter-related. A

higher AD TOM for Pepsi at 28% (compared to 22% of Coke) vis-à-vis its brand TOM of 31% (as compared to 36% of Coke) can be attributed to the fact that Pepsi had the highest number of celebrities which the consumers liked as compared to another soft drinks brand.

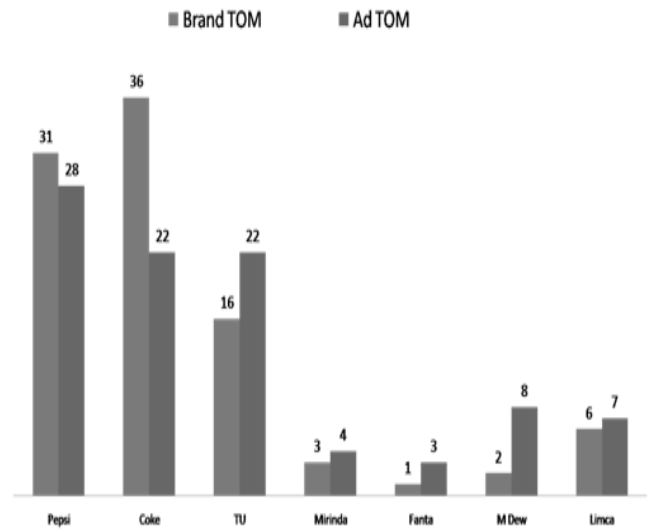
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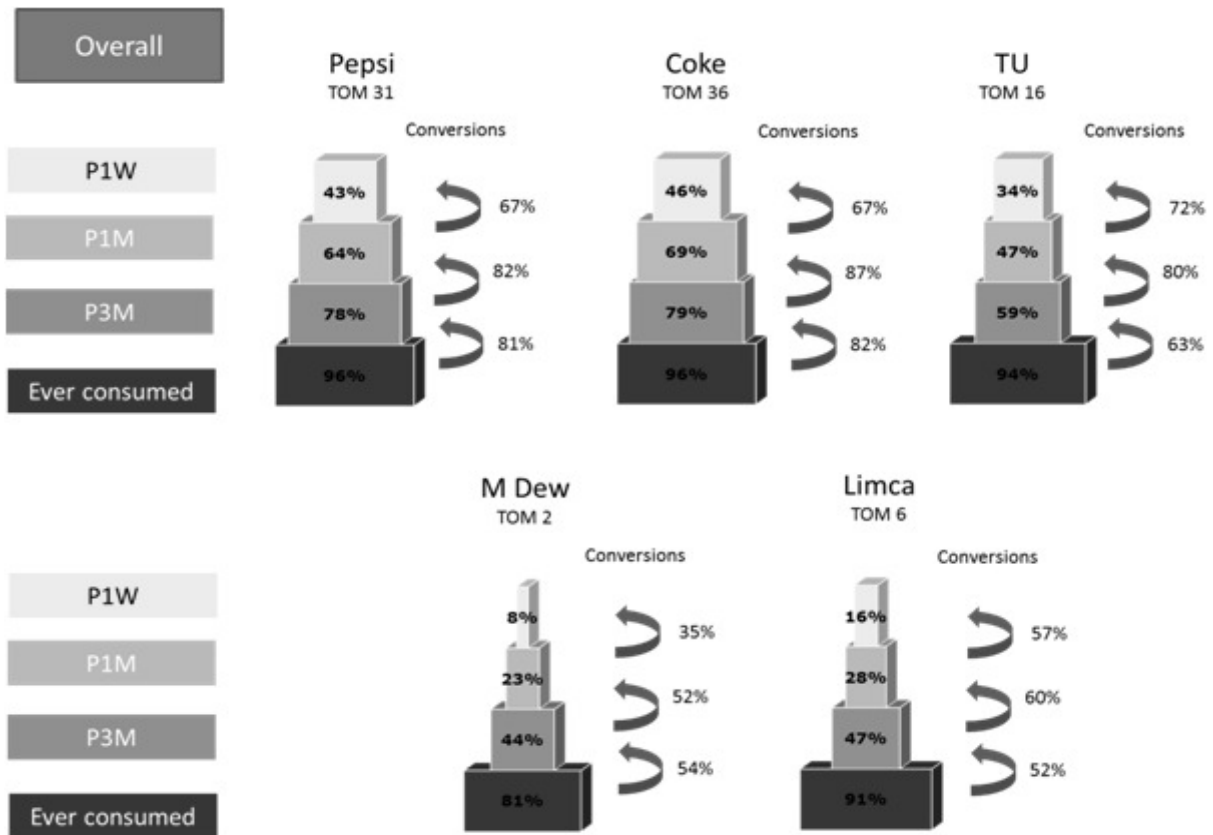
Graph No. 1



Graph No. 2



Graph No. 3



GANDHIAN PHILOSOPHY OF SATYAGRAHA A FEW GLIMPSES

Sonal Sharma ★

The principal objective of this paper is to critically examine and evaluate the basic ingredients and forms of the philosophy of Satyagraha conceived by Mahatma Gandhi during his long struggle, spanning over four decades, against the British rule, initially in South Africa and then for over three decades in India.

The formative years – South Africa

Gandhi entered South Africa for the first time in May 1893 at the age of 25 to fight a civil suit. His contract of employment was for one year only, however, Gandhi spent nearly next twenty years in South Africa fighting against abject discrimination and humiliation to which Indians and coloured people were subjected.

He made a detailed study of the economic, social and political conditions of Indians living in South Africa, founded the Natal Indian Congress to serve the interests of Indians and also established an “Association for Passive Resistance”. He even visited India to canvass public support for the cause of Natal Indians, before launching the Satyagraha movement in 1906 which culminated in ‘Epic March’ of 1913 when 6000 labourers marched under the leadership of Gandhi. The Epic March aroused the sympathy of some sections of the British press and even the British Government which ordered a Commission to enquire in to the causes of the Natal Indian strike. On the recommendations of the inquiry commission and the negotiations that followed between Gandhi and South African government under pressure from Delhi and London, an agreement was reached and some of the major points on which the Satyagraha movement was launched were conceded to the Indians.

The epic march was the first example of a successful civil disobedience movement. Gandhi’s method not only generated public opinion in favour of the Indian cause, but also brought about political awakening among the masses regarding their rights and status. Analyzing the impact of this event, Romain Rolland, a French novelist and Nobel prize winner opined, “The indomitable tenacity and the magic of the “Great Soul” operated and won out: force had to bow down before heroic gentleness”(Romain Rolland 1924).

Satyagraha in action – the Indian experience

After his return to India in 1915, Gandhi organized and led

nine major and less known Satyagraha movements during 1917-1945, beginning with the Champaran Satyagraha and concluding with the Quit India Movement. The common thread that ran through all these non-violent mass movements was that these were based on the distinctive means of truth, self-control and non-violence.

According to Gandhi, “even the most despotic government cannot stand except with the consent of the governed” (Gopinath Bhawan 1990). Satyagrahas organized by Gandhi took different forms namely non-violent non-cooperation movement, hartal - closing of shops and cessation of business, strikes - an instrument used by labour for acquisition of a desired standard of treatment and living from the employer, boycott of commodities, titles, persons and institutions, peaceful picketing, civil disobedience, no tax campaign and fasting.

Not all the Satyagrahas were equally successful or ran in accordance with the intended plan. The first Satyagraha launched by Gandhi related to fight for the rights of indigo planters in district Champaran, Bihar. The agitation was immensely successful and led to the appointment of a Commission by the British Government to look in to the complaints of farmers and Gandhi was made a member of that commission. It was in Champaran that Gandhi came to be known as Mahatma, the great soul.

The Gandhian technique of Satyagraha reached its acme with the defiance of the Salt Act which saw Gandhi and his band of Satyagrahis marching from Sabarmati to Dandi between March 12 and April 5, 1930. Immediately after breaking of the Salt law Gandhi issued a statement to Indians to make natural salt and to trade in salt. The British Government resolutely began arresting people from one end to of India to the other and used coercive methods of repression including force but the people of India suffered all this without retaliating. The civil disobedience movement of 1930-31 ended with talks between the Government and the Indian people on equal terms. This was a major achievement. R.R. Diwakar says, “The campaign marked a distinct moral victory which created self confidence among the people and confidence in the weapon of Satyagraha” (R.R. Diwakar, 1969). In contrast, the Quit

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India Movement launched in 1942 to attain 'Poorna Swaraj' did not produce any immediate tangible gains. However, the British government realized that India was ungovernable in the long run, and their main concern was how to exit gracefully and peacefully after the Second World War

In all, Gandhi spent 1921 days in various jails of India and was imprisoned on four occasions i.e. in 1922, 1931, 1933 and 1942- on account of peaceful agitation against British government, besides his imprisonment in South Africa. If he had to complete all his jail terms, he would have spent 11 years and 19 days in jail. He came out of prison gate for the last time when he was 75.

The theoretical foundations of the philosophy of Satyagraha devised by Gandhi and their underlying rationale are discussed in the following paragraphs.

The term Satyagraha was coined by Gandhi to express the nature of non-violent direct action to voice the legitimate demands of Indians.

The term Satyagraha is composed of two words "Satya" i.e. Truth and "Agraha" which means firm and unflinching adherence. Satyagraha is thus firm and unflinching adherence to Truth even at the cost of one's life.

1. Non-violence: Before launching Satyagraha, Gandhi spent considerable time and energy in 'preparing people' to observe absolute non-violence in the face of suffering, arrest, physical torture, etc. "You must have no hatred in your hearts. And you must cast away all fears" he explained to his followers. Gandhi was totally opposed to violence as a method of social change. His main concern was to separate violence and other similar evils from power.
2. Awakening of the soul: The purpose of Satyagraha was to awaken the soul of those wielding power, touching their heart and making them see the Truth. As Bhiku Parekh explains: "For Gandhi Satyagraha was a 'surgery of soul' made necessary by opponents' refusal to talk or to do so in the spirit of humility, sincerity and good will" (Parekh Bhiku 1995). In the words of Gregg, Satyagraha leaves "no aftermath of resentment, bitterness and revenge, no necessity for further threats or force" (Gregg 1941). In Satyagraha there is an organic connection between the achievement of the objective and the inner cleansing of the Satyagrahi.
3. Self-suffering: The self-suffering of the Satyagrahi is the price of non-violence undergone by him. "It is a measure of the value he attaches to the soul-force as a means of achieving justice" (J. Bandopadhyaya, 1969).

Gandhi calls Satyagraha as 'the Law of Suffering and Tapasya for Truth'. It does not mean "meek submission to the will of evil doer, but it means pitting of one's soul against the will of the tyrant." Gandhi says 'Even in death the Satyagrahi must hold on to truth' (U.S. Mohan Rao 1968)

4. Universal and eternal principle: To Gandhi, Satyagraha is an eternal principle, having a universal applicability. It may be used by individuals, communities or the people of a nation. Satyagraha is against all that is unjust, all that is contrary to the principles of life. Gandhi says, "For me the Law of Satyagraha is an eternal principle. I cooperate with all that is good. I desire to non-cooperate with all that is evil, whether it is associated with my wife, son or myself" (R. K. Prabhu 1992)
5. Societal good and personal purification: Satyagraha is taken for social good and never for any personal gain. As Prof Diwakar says, "It is not a single act or string of actions. It is an inner consonance with the evolutionary force that goes to build life, promote it, expand it, and express it in various constructive and creative activities" (R.R. Diwakar, 1969). An inner transformation in a satyagrahi is a must before he can attempt to bring about external positive change. The use of Satyagraha against others must be preceded by its use against oneself.
6. A Righteous Struggle: a Satyagrahi is essentially a man of peace. He does not go about picking quarrels or planning struggles in advance. So firm was the faith of Gandhi in the War of Righteousness that he went on to say, 'a struggle which has to be previously planned is not a righteous struggle. In a righteous struggle God Himself plans the campaign and conducts the battles' (R. K. Prabhu, U. R. Rao 1992). Elaborating upon the fundamentals of Satyagraha, Gandhi further says, "In such a struggle there are no secrets to be guarded, no scope for cunning and no place for untruth." True Satyagraha is meant to soften and not to stiffen the opponents' attitude towards the Satyagrahi, since the purpose is not to harm in any way but to strike a responsive chord in the heart of the opponent. "It is the acid test of non-violence that in a non-violent conflict there is no rancor left behind and in the end enemies are converted into friends" (Gopinath Dhawan 1990).

The foregoing principles enunciated by Gandhi clearly bring out that his focus was never on capturing power or dominating others for achieving narrow gains either for his party or community.

The struggle for freedom under Gandhi shows that he accorded very high importance to means as against the ends. As he said “means are after all everything, as the means so the ends”. This was in sharp contrast to the Machiavellian concept of power where the ends justified the means.

One of the most remarkable dimensions of Gandhi’s leadership of Satyagraha movement was that he was never bitter or frustrated in the face of failure .It would be difficult to believe that he actually admired the British values of ethics and fairness in governance. Declaring his loyalty to the British Empire and applauding them Gandhi said:

“British Empire had certain ideals with which I have fallen in love, and one of those ideals is that every subject of British Empire has the freest scope possible for his energies and honour, and whatever he thinks is due to his conscienceI am no lover of any government, and I have more than once said that that government is best which governs the least; and I have found that it is possible for me to be governed least under the British Empire. Hence, my loyalty to the British Empire.”(Charles F. Andrews, Mahatma Gandhi: His Life & Ideas, p157).

In 1931, Einstein wrote a letter to Gandhi greatly admiring his contribution to the cause of establishment of peace and resolution of conflicts through non-violence methods. He wrote:

“You have shown through your works, that it is possible to succeed without violence even with those who have not discarded the method of violence. We may hope that your example will spread beyond the borders of your country, and will help to establish an international authority, respected by all, that will take decisions and replace war conflicts.”

Praising Gandhi’s philosophical underpinnings and method of working Einstein again wrote: “I believe that Gandhi’s views were the most enlightened of all the political men of our time. We should strive to do things in his spirit: not to use violence in fighting for our cause, but by non-participation in anything you believe is evil.”

Gandhi’s concept of satyagraha, which roughly translates as “devotion to the truth,” impressed Einstein, perhaps, because of its principled stand against political expediency and for a kind of moral commitment that depended on self-scrutiny and inquiry into cause and effect. According to Gandhi’s biographer Mark Shepard “the concept of satyagraha is a hard one to grasp—especially, for those used to seeing power in the barrel of a gun.”

How far Gandhi’s views continue to ignite the minds of present generation of leaders, power wielders, masses, youth, and countless other categories of people is not easy to measure. However, the working of the Indian democracy in the last 65 years does show that if, in spite of all its ills and grave weaknesses, India has held together as a nation ,a good deal of credit needs to be given to the lasting impact Gandhi left on the minds and hearts of people in India and around the world.

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AN IMPLEMENTATION OF TALENT MANAGEMENT ON SMEs

A. Sharmila★ K. Gopalakrishnan★★

In this competitive present scenario, talent has a wider role in the Small & Medium Scale Enterprises (SMEs). The objective of this paper is to underline the ways to manage the talent effectively, in order to enhance the performance of the employees in SMEs.

Talent management refers to the skills of attracting highly skilled workers, of integrating new workers, developing and retaining current workers to meet current and future business objectives. Companies engaging in a talent management strategy shift the responsibility of employees from the human resources department to all managers throughout the organization.

Companies that focus on developing their talent integrate plans and processes to track and manage their employee talent, including the following:

- Through sourcing, attracting, the firm has to recruit qualified candidates with competitive backgrounds
- By managing and defining competitive salaries
- By means of arranging the training and development opportunities
- Performance management processes
- Retention programs
- Promotion and transition

More recently, the quality of leadership has been linked with business performance. Research by Hewitt Associates discovered that 85% of the top 20 performing businesses in a group of 373 held their leaders accountable for developing top talent, compared to 46% of leaders from the other organizations.

Moreover, the skills and knowledge of such employees ensure that they are in great demand. They are valuable to their current employers. They may be even more valuable to their current employer's competitors. Without a talent management strategy focused on keeping critical people engaged including talent maps, targeted training, clear career paths, job rotation and other development tools critical employees may be sending out résumés rather than executing the organization's strategy.

This paper underlines the ways to implement the talent management strategy in SMEs and if the firms followed

those strategies in the sense, how far it will sustain in the market and gain the competitive advantages.

1. About Small to Medium Enterprise (SMEs)

Small to Medium Enterprise depends on who's doing the defining. Industry Canada uses the term SME to refer to businesses with fewer than 500 employees, while classifying firms with 500 or more employees as "large" businesses. Nurturing top talent is generally seen as an issue for large organizations. But smaller companies are under just as much pressure to retain and develop their best managers, particularly during periods of business growth.

Unfortunately, these crucial stages of growth often coincide with a company's lowest level of profitability, which is one reason why investment in management development programmes by medium-sized businesses remains a rarity. Due to the present crisis, retaining talented employees in SMEs is under extreme pressure. In this situation for the purpose of describing, suggesting the problem the author has chosen this area.

2. Scope for Talent Management

The Department of Health established a Talent Management team and began the process of drawing up a national Talent Management framework. For various reasons there was no impetus to take this forward at the national level. Reviews highlight that there are many examples of Talent Management frameworks to draw upon, often presenting the same principles in ways that need to be tailored to individual organisation circumstances. The research also emphasised the linkage of Talent Management with strategy, succession planning, human resource management, and strategies for the recruitment, development and retention of staff.

3. Components to Leadership Development and Talent Management

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4. Current Issues of Talent Management

In current economic positions, many companies have felt the need to cut expenses. This should be the ideal environment to execute a talent management system as a means of optimizing the performance of each employee and the organization. However, within many companies the concept of human capital management has just begun to develop. "In fact, only 5 percent of organizations say they have a clear talent management strategy and operational programs in place today.

5. Benefits of the Talent Management

- To give a high priority to the recognition and leverage of current and potential talent
- To ensure a reliable pipeline of high performing leaders who directly impact on organizational outcomes
- To clarify the standards required and development needs for senior leadership positions
- The approach supports a culture of learning within the organizations and across the region
- Attraction of talent to the region
- Staff will feel valued and committed to the organization.

6. SMEs with Talent Management

An analysis of the key factors in the SMEs related to talent management (all the staff took part in this). In order to carry out this analysis, we looked at various aspects of innovation and the development of talent, such as: diversity, co-creation, collaboration and horizontal structures, participation, transparency, self-management, freedom, recognition in the workplace, and an orientation to innovation. We also considered policies to attract and develop talent, commitment to the job and personal motivation.

7. Implementation of Talent Management in SMEs

To sustain and stay ahead in SMEs, talent management

cannot be ignored. In order to understand the concept better, let us discuss the stages included in talent management process.

Understanding the Requirements of the Small to Medium Enterprises. The main objective is to determine the requirement of talent. The main activities of this stage are developing job description and job specifications. In order to sustain the business the firms may prefer for sourcing the talented people.

Attracting the Talent- it is important to attract the talented people to work with you as the whole process revolves around this only recruiting the Talent- In this stage when people are invited to join the organization, the firms have to focus on selecting the right people to right job. After the selection they are trained and developed to get the desired output. Retaining the talented employees in the organization is very crucial and important. Retention depends on various factors such as pay package, job specification, challenges involved in a job, designation, personal development of an employee, recognition, culture and the fit between job and talent.

Promotion- No one can work in an organization at the same designation with same job responsibilities. Competency Mapping- Assessing employees' skills, development, ability and competency is the next step. If required, also focus on behavior, attitude, knowledge and future possibilities of improvement

Performance Appraisal- Measuring the actual performance of an employee is necessary to identify his or her true potential. It is to check whether the person can be loaded with extra responsibilities or not. Career planning; if the individual can handle the work pressure and extra responsibilities well, the management needs to plan his or her career so that he or she feels rewarded.

It is good to recognize their efforts to retain them for a longer period of time. Succession planning- is all about who will replace whom in near future. The employee who has given his best to the organization and has been serving it for a very long time definitely deserves to hold the top position. Management needs to plan about when and how succession will take place.

Conclusion

Small Medium Enterprises (SMEs) are having significant contribution over the corporate world. In this situation, the adaptation of talent management strategy in SMEs has wider scope. It is not easy for the SMEs who took part in the talent management to introduce major changes in their

organizational structure or implement significant improvements in their human resources policies and practices. However, Talent management works only when managers have a shared understanding about what it means to be an effective and talented leader.

Ensure talent profiles and skills sets keep pace with sector change and reform. Each organization must decide for itself the right blend of experiences and skills in such areas as political and managerial leadership, community leadership; partnership working; managing shared services and outsourcing.

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FDI IN MULTI-BRAND RETAIL *CONFUSION OR COMBINATION*

A. Jesu Kulandairaj ★

“Farmers will gain on at least two counts: significant reduction in post-harvest losses such as loss in transit (of produce) due to non-refrigeration and air conditioning transportation system, and better prices. Consumers will gain from lower prices, greater choice and higher quality,” Sharad Pawar, Former Union Agriculture minister.

Amidst opposition from its own allies, the Government went ahead implementing its decision to allow FDI in multi-brand retail. Under the notification relating to FDI in multi-brand retail, multinational companies can invest up to 51 per cent to open stores in 10 states and UTs which have so far agreed to implement the decision. The decision to allow Multi-brand retailers to open stores rests with the state governments. Minimum amount to be brought in by the foreign investor would be \$100 million and outlets may be set up only in cities with a population of more than 10 lakh.

India Inc hailed the government’s decision to implement FDI in multi brand retail and voiced that it will give a strong message to investors that the government means business and stands firm on its initiatives. This decision is a right step and will go a long way in capital infusion and is expected to strengthen the farmer’s community. Foreign Direct Investment (FDI) in multi-brand retail has been the most contentious of UPA-II’s big ticket reforms.

What is retailing?

Retailing is the interface between the producer and the individual consumer, buying for personal consumption. It is the last link that connects the consumer with the manufacturing and distribution chains.

- India is the fifth largest retail market globally.
- Retail contributes to 10% of India’s GDP.
- India has highest retail density in the world with 15 million outlets.

India is a land of retail democracy

- Organized retail sector - Organized retailing refers to trading activities undertaken by licensed retailers, that is, those who are registered for sales tax, income tax, etc. These include the corporate-backed hypermarkets and retail chains, and also the privately owned large retail

businesses. only 5% of the total retail share

- Unorganized retail sector - Unorganized retailing, on the other hand, refers to the traditional formats of low-cost retailing, for example, the local kirana shops, owner manned general stores, paan/beedi shops, convenience stores, hand cart and pavement vendors, etc. 95% of the total retail share.

What (exactly) is FDI?

Foreign direct investment (FDI) refers to the net inflows of investment to acquire a lasting management interest (10 percent or more of voting stock) in an enterprise operating in an economy other than that of the investor.

In layman’s terms:

- FDI is an investment to acquire long-term interest in enterprises operating outside of the economy of the investor.
- FDI is a source of external finance which means that countries with limited amounts of capital can receive finance beyond national borders from wealthier countries.
- FDI is considered to be considered an ingredient in economic growth

Multi brand retail in India

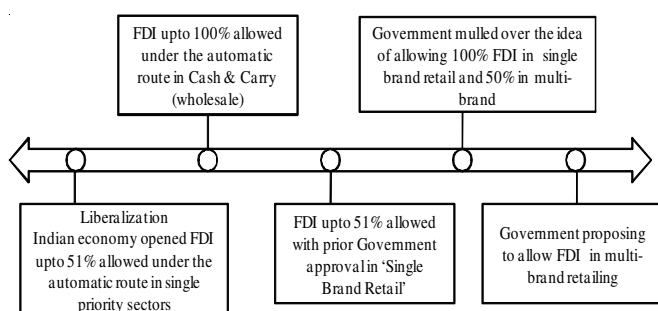
Marketing of similar and competing products by the same firm under different and unrelated brands. For example: WalMart, Big Bazaar, Tesco etc.,

Proposal finalized by UPA-II Government

- A decision has been taken by the Government to permit FDI in all products, in a calibrated manner, subject to the following conditions:
- FDI in Multi Brand Retail Trade (MBRT) may be permitted up to 51%, with Government approval;
- Fresh agricultural produce, including fruits, vegetables, flowers, grains, pulses, fresh poultry, fishery and meat products, may be unbranded.

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- Minimum amount to be brought in, as FDI, by the foreign investor, would be US \$ 100 million.
- At least 50% of total FDI brought in shall be invested in 'back-end infrastructure'. Back-end infrastructure will include investment made towards processing, manufacturing, distribution, design improvement, quality control, packaging, logistics, storage, ware-house, agriculture market produce infrastructure etc. Expenditure on land cost and rentals, if any, will not be counted for purposes of backend infrastructure.
- At least 30% of the procurement of manufactured/processed products shall be sourced from Indian 'small industries' which have a total investment in plant & machinery not exceeding US \$ 1.00 million. This valuation refers to the value at the time of installation, without providing for depreciation. Further, if at any point in time, this valuation is exceeded, the industry shall not qualify as a 'small industry' for this purpose.
- Retail sales locations may be set up only in cities with a population of more than 10 lakh as per 2011 Census and may also cover an area of 10 kms around the municipal/urban agglomeration limits of such cities; retail locations will be restricted to conforming areas as per the Master/Zonal Plans of the concerned cities and provision will be made for requisite facilities such as transport connectivity and parking;
- Government will have the first right to procurement of agricultural products



Source: Department of Industrial Policy and Promotion (DIPP)

To become a truly flourishing industry, retailing in India needs to cross the following hurdles:

- Automatic approval is not allowed for foreign investment in retail.
- Regulations restricting real estate purchases, and cumbersome local laws.

- Taxation, which favours small retail businesses.
- Absence of developed supply chain and integrated IT management.
- Lack of trained work force.
- Low skill level for retailing management.
- Lack of Retailing Courses and study options
- Intrinsic complexity of retailing – rapid price changes, constant threat of product obsolescence and low margins.

Confusion 1:

Independent stores will close, leading to massive job losses. few thousand jobs may be created, but millions will be lost.

- Organized retail will need workers.
- If WalMart-like retail companies were to expand in India as much as their presence in the United States and the staffing level in Indian stores kept at the same level as in the United States stores, Wal-Mart alone would employ 5.6 million Indian citizens.
- Adjusted for this market share, the expected jobs in future Indian organized retail would total over 85 million.
- In addition, millions of additional jobs will be created during the building of and the maintenance of retail stores, roads, cold storage centers, software industry, electronic cash registers and other retail supporting organizations.
- Instead of job losses, retail reforms are likely to be massive boost to Indian job availability.

Confusion 2:

WalMart will lower prices to dump goods, get competition out of the way, become a monopoly and then raise prices.

- Wal-Mart, Carrefour, Tesco, Metro, Coop are some of over 350 global retail companies with annual sales over \$1 billion. These retail companies have operated for over 30 years in numerous countries. They have not become monopolies.
- Competition between Wal-Mart-like retailers has kept food prices in check. Canada credits their very low inflation rates to Wal-Mart-effect.
- Anti-trust laws and state regulations, such as those in Indian legal code, have prevented food monopolies from forming anywhere in the world. Price inflation in these countries has been 5 to 10 times lower than price inflation in India the current consumer price inflation in Europe and the United States is less than 2%, compared to India's double digit inflation.

Confusion 3:

India doesn't need foreign retailers, since homegrown companies and traditional markets may be able to do the job

- India needs trillions of dollar to build its infrastructure, hospitals, housing and schools for its growing population. Indian economy is small, with limited surplus capital. Indian government is already operating on budget deficits.
- It is simply not possible for Indian investors or Indian government to fund this expansion, job creation and growth at the rate India needs. Thus, Global investment capital through FDI is necessary.
- Beyond capital, Indian retail industry needs knowledge and global integration. Global retail leaders, can bring this knowledge. Global integration can potentially open export markets for Indian farmers and producers. Walmart, for example, expects to source and export some \$1 billion worth of goods from India every year, since it came into Indian wholesale retail market

Confusion 4:

Work will be done by Indians, profits will go to foreigners.

- With 51% FDI limit in multi-brand retailers, nearly half of any profits will remain in India.
- Any profits will be subject to taxes, and such taxes will reduce Indian government budget deficit.
- Many years ago, China adopted the retail reform policy India has announced; China allowed FDI in its retail sector. It has taken FDI-financed retailers in China between 5 to 10 years to post profits, in large part because of huge investments they had to make initially. Like China, it is unlikely foreign retailers will earn any profits in India for the first 5 to 10 years.
- Ultimately, retail companies must earn profits with hard work and by creating value.

Confusion 5:

- Remember East India Company. It entered India as a trader and then took over politically Comparing 21st century to 18th century is inappropriate. Conditions today are not same as in the 18th century. India wasn't a democracy then, it is today. Global awareness and news media were not the same in 18th century as today.
- Consider China today. It has over 57 million square feet of retail space owned by foreigners, employing millions of Chinese citizens. Yet, China hasn't become a vassal of imperialists. It enjoys respect from all global powers.

- Other Asian countries like Malaysia, Taiwan, Thailand and Indonesia see foreign retailers as catalysts of new technology and price reduction; and they have benefitted immensely by welcoming FDI in retail. India too will benefit by connecting with the world, rather than isolating itself.

Confusion 6:

Smaller states will not be able to handle FDI:

- States have a right to say no to retail FDI within their jurisdiction.
- States have the right to add restrictions to the retail policy announced before they implement them. Thus, they can place limits on number, market share, style, diversity, homogeneity and other factors to suit their cultural preferences.
- Finally, in future, states can always introduce regulations and India can change the law to ensure the benefits of retail reforms reach the poorest and weakest segments of Indian society.

Combination 1:

Better infrastructure will wipe out inefficiencies of our distribution systems

- Due to inbuilt inefficiencies and wastage in distribution and storage about 40% of food production doesn't reach consumers.
- 50 million children in India are malnourished.
- Food often rots at farms, in transit, or in antiquated state-run warehouses.
- Cost-conscious organized retail companies will avoid waste and loss, making food available to the weakest and poorest segment of Indian society, while increasing the income of small farmers.

Combination 2:

Prevent labour exploitation

- Indian small shops employ workers without proper contracts, making them work long hours.
- Many unorganized small shops depend on child labour.
- A well-regulated retail sector will help curtail some of these abuses.
- They will get better working conditions, better wages.

Combination 3:

NO! It will not eat up the unorganized retail market. It has been long debated that the unorganized retail players will

be the worst hit. I'll give you reasons against.

- The unorganized retail market is as large as 95%.
- Also the traditional market is very deep rooted in our economy.
- The kirana stores always have their place in the map; all because they have a space. They don't survive because of the scale but for their location

Combination 4:

It will curb inflation

- FDI in retail sector will transform the way perishable agricultural produce is acquired, stored, preserved, and marketed — and thus help control India's persistent food inflation.
- The gap between farm gate prices of agricultural produce and the retail prices (in India) are amongst the highest in the world as also amongst the emerging markets
- A farmer can be approached by retailer, processor, etc., directly and not through intermediaries, which alone will help bring down prices by 25%. Today this is not allowed.

Conclusion

Capital inflows into retail will improve the quality of overseas money used to bridge the current account deficit, the gap between imports and exports of goods and services. Also, as international retailers begin sourcing in India, eventually they could help some small producers export some of their produce and ease the pressure on the current account. "We will look at any partnership that could help us become more competitive. But we are unwilling to give a majority stake to any partner." said by the senior executive of Spencer's retail chain. To be prosperous in a time of unprecedented demographic expansion, India must be willing to change, and all change involves both winners and losers. In the case of foreign participation in retail, the winners will dramatically outnumber the losers!

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RISK MANAGEMENT IN BASEL

By Dr. Deepak Tandon, Dr. Neelam Tandon & Pulkit Ahuja

Skylark Publications, New Delhi : Edition 2012: ISBN: 81 – 86141 – 46 - 4; Pages: 104

Madhu Vij★ Kamini Tandon★★

Risk has always been a pervasive feature of any financial activity across the globe. Changes in banking and financial markets have contributed to ever increasing complexity of banking risks. Thus, the position of banks in modern economies has made the management of banking risks more than important to financial stability and economic growth.

The severity of the global meltdown owing to the sub-prime fiasco has reiterated the concerns over risk management framework regulating the financial institutions. Given the backdrop, the authors have indeed selected a critical and sensitive subject with the book providing a holistic coverage of the Basel Accord. The book comprises of six chapters devoted to the explanation of the concept of risk management under the Basel accord.

The first chapter gives a description of the historical background and evolution of banking regulation and introduction of Basel Accord. A formal structured approach laying down the risk management framework came into existence only in 1990's with the establishment of the Basel Capital Accord in 1988. It is the current international framework on capital adequacy adopted by a group of central banks and other national supervisory authorities, working through the Basel Committee on Banking Supervision. The accord prescribes for emphasis on strengthening of internal controls, stringent disclosure norms, enhanced transparency of financial information and effective supervision so as to facilitate smooth functioning of banks and financial markets.

The next two chapters provide a snapshot of credit risk framework under Basel I & Basel II. Basel I was a major step forward in capital regulation with the committee introducing a credit risk measurement framework with a minimum capital standard of 8% by 1992. Owing to its overt simplicity and failure to differentiate among credit quality and resulting degrees of risk, it paved the way for "Basel II" in 1999. The proposed substitute for the current capital accord was more complex than its predecessor. It adopted a three pronged approach based on mutually reinforcing "pillars" namely minimum capital requirement (pillar 1), supervisory review (pillar 2) and market discipline (pillar 3). The concern was to cover new approaches to credit risk and also include market, operational and interest

rate risk. The authors discuss the de facto implementation of Basel II norms in India by incorporating the case of Punjab National Bank.

The recent global financial crisis revealed weaknesses in the whole approach to risk management that was developed through the Basel II process. The regulatory capital ratio of 4% for banks was insufficient in relation to the exposures and actual losses of the banks suffered during the financial crisis. Chapter 4 describes the Basel III framework which requires banks hold 4.5% of common equity (up from 2% in Basel II) and 6% of Tier I capital (up from 4% in Basel II) of risk-weighted assets. It also prescribes for introduction of a mandatory capital conservation buffer of 2.5% and a discretionary countercyclical buffer of another 2.5% to address a scenario of increased credit growth.

From the Indian perspective, the road ahead is more or less smooth with the private sector banks better placed than the public sector banks. With limited reliance on non common equity Tier I instruments, it is expected that most of the banks will be able to adhere to the capital requirements. On the liquidity front, there is a minimum usage of short term funding and are equipped with substantial amount of liquid assets. As the time frame provided for compliance is fairly long (2019), whatever limited challenges are there can be easily taken care of. Lastly, the authors conclude by providing a succinct overview of the preparation for Basel IV norms based on negative interest rates.

Whatever else, the authors are on target! They have very aptly titled the book and succeeded in providing a valuable source of information on the concept of risk management under the regulatory framework of different Basel accords. It is a must read for banking professionals, academicians and management students aspiring to be a part of the financial industry.

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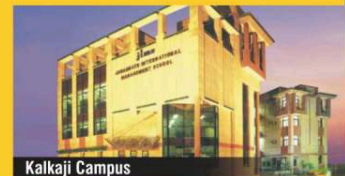
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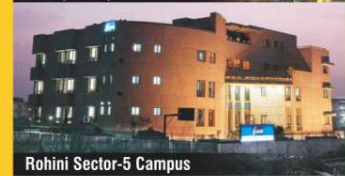


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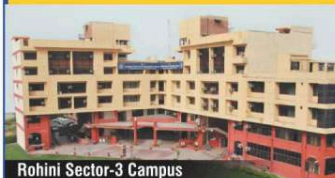
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