

NATIONAL CONFERENCE ON
“EMERGING DIMENSIONS IN THE INDIAN BUSINESS SCENARIO”

15th SEPTEMBER 2015

Organized by

THE DEPARTMENT OF COMMERCE (CA), COMMERCE (PA) AND

PG DEPARTMENT OF COMMERCE

NIRMALA COLLEGE FOR WOMEN (AUTONOMOUS)

Re-Accredited with “A” Grade by NAAC

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- Participants with an excellent opportunity for presenting new researches, exchanging information.
- Opportunities for discussing current issues.
- Participants to develop networks and linkages.
- The principles to run a business.
- To communicate the business values.

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AN EMPIRICAL STUDY ON CONSUMERS' PERSONALITY IN E-TICKETING WITH SPECIAL REFERENCE TO RAILWAYS

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ABSTRACT

Critical consumer personality traits that influence the online buying decision of people are explored. The study establishes their causal impact, if any, through developing an integrated model. The study was conducted on a sample of 300 users of online railway reservation facilities, and factor analysis were applied to determine the causal impacts of critical consumer personality traits on online reservation of railway ticket by users the in Indian context. The analysis of demographics based on gender and age groups were also made to capture the cross-comparisons of critical consumer personality attributes related to online reservation of long distance railway tickets in Indian context. The factor analysis had grouped the items into 4 constructs with a total of 14 items. All the critical online buyers' personality traits were found to have a significant impact on the intention of buyers of booking / purchasing railway tickets online in India. The analyses of demographics established that all the critical consumer personality based attributes to online buying intention have no significant differences for gender, whereas for age groups some of the attributes were found significant and others were not.

INTRODUCTION

The rapid growth of the Internet over the past two decades as a platform for buyer-seller interaction is indicative of the degree of growing acceptance of online buying transactions worldwide. Despite the slowing penetration of regular Internet users, the number of consumers using the Internet as a shopping medium is still growing. From the perspective of the seller, it is the attempt on the seller's part to attract and persuade the prospect to conduct the purchase decision- making process, and ensure satisfaction and loyalty. From the perspective of the buyer, online purchase behavior is the degree to which consumers access, browse, shop and transact and repeat the behavior.



With a change in the consumers' mindset of purchase made from a physical store to online buying, the industry has witnessed the ever-increasing volumes of online transactions. India, with its own diversified population base and huge untapped market potential has also witnessed and been a part of this global e-revolution. The rapid usage rate within buyers to transact online has been due to advances in technology; consumer characteristics, both demographic as well as psychographic; and situational influences. The adoption of e-commerce by the potential online buyers rests with the issues like usefulness and user friendliness of the online buying system, delighting experience, computer proficiency, and exploratory mindset (Lederer et. al., 2000; Moon and Kim, 2001; Chen et al., 2002). Thus the acceptance of online buying as a viable alternative to the traditional face-to-face encounters between the buyer and seller has both the utilitarian and hedonic intentions. Hence, it calls for a comprehensive understanding of the determinants of consumer personality traits as they have got a direct effect on consumers' intentions to actually adopt the online shopping system. Although the number of Internet users has been growing steadily in India, a framework is needed to develop an in-depth understanding of consumers' personality toward Internet shopping and their intentions to shop online. This paper is an attempt to conceptualize the consumers' personality traits inductive to the online buying intention of long distance railway tickets in Indian context.

Indian Railway as one of the world's largest bureaucratic organizational set-up, is on its way to come out with the new initiatives and ventures to provide better quality service to new age customers. As part of this drive, they have introduced e-ticketing system based on B-to-C initiations on business front. As the profile of customer has also undergone a sea change, the railway authority should explore and understand the basic personality traits of individual customers that make them feel comfortable to go for online reservation of railway tickets. Accordingly, the railway online reservation website should be redesigned to be compatible with the online consumers' / buyers' expectations, and to serve the particular segment of customers in a better manner. In view of this,

The present study has been conducted with the objective of exploring the consumers' personality patterns that affect his / her online buying intention of railway tickets; with the ultimate objective of identifying those personality factors and the befitting design characteristics of online buying that can attract the existing as well as potential consumers more towards online purchasing of railway tickets.



REVIEW OF LITERATURE

The various dimensions of the personality traits of the online buyers have been captured by different studies conducted from time to time. In the context of online buying, the buyers' some of the relevant personality traits were identified as "expertise" (Alba and Hutchinson, 1987; Ratchford et al., 2001), "self – efficacy" (Bandura, 1994; Marakas et al., 1998; Eastin and LaRose, 2000), and "need for interaction" (Dabholkar, 1996; Dabholkar and Bagozzi, 2002). In order to shop on the Internet, a considerable amount of computer operational skill and the basic knowledge of computer usage are required. Since learning by doing is an important component of acquiring such skills, those who have the most experience at shopping on the Internet are likely to be the most skilled (Ratchford et al., 2001). Hence, it can be safely concluded that those, who are more skilled at using and exploring internet as a shopping medium are more likely to purchase repeatedly through online transactions. Another personality characteristic that is closely related to expertise is self – efficacy, which refers to individuals' beliefs that they have the ability and the resources to successfully perform a specific task (Bandura, 1994). In the context of online buying, Marakas et al. (1998) defined "computer self – efficacy" as an individual's judgement of efficacy across multiple computer application domains, whereas "Internet self – efficacy" is a person's judgement of his or her ability to apply Internet skills for finding any information or conducting any action with the help of Internet. Hence, the online buyers are more likely to attempt and persist in online buying that they feel capable of performing (Eastin and LaRose, 2000).

"Need for Interaction" has been explored as a significant aspect of buyer's personality by various researches. "Need for interaction" is defined as the importance of human interactions to the consumer in service encounters (Dabholkar and Bagozzi, 2002). In online shopping, the human interaction with a service employee or salesperson is replaced by help – buttons and search features. Therefore, consumers with a high "need for interaction" will avoid shopping on the Internet, whereas consumers with a low "need for interaction" would be more inclined towards online buying (Monuwe et al., 2004). This "Need for Interaction" aspect of personality can be significantly related to the 'extroversion' and 'introversion' traits of individual personality.

Allred et al. (2006) found that customers do not feel confident to participate in online transactions because of security fears and technological incompetence, and on the contrary



frequent online shoppers are characterized by the less desire to socialize, minimize inconvenience, and maximize value. Ranaweera et al. (2008) found the buyer's personality characteristics were having significant moderating effects on online purchase intentions. Repeated online purchases reduce the risk aversion of the buyers, while technology readiness and dispositional trust increase the likelihood of online purchase. Therefore, it becomes imperative that while techno savvy individuals feel more comfortable to explore online buying, the first time online buyers are more likely to repeat and continue to buy online as they become more confident and risk accustomed.

Therefore, what comes out as a synthesis based on the above findings of review of literature is that the online buying intention of prospective consumers depends on a gamut of factors like risk aversion or inclination, exploratory mindset, need for socialization, compatibility with the usage of technology, expected or calculated benefits from the online transaction, proficiency and knowledge in online transactions, and drive for newness in the form of excitement and pleasure. Based on this cluster of previously researched and studied aspects of consumer personality in online buying, this present study identified the four constructs namely (1) extroversion and introversion, (2) risk – taking, (3) excitement and pleasure seeking, and (4) technology savvy as the relevant factors worth exploring to analyze consumer Behavior for online purchase intention. The following conceptual model summarizes the relation of these four consumer personality factors to the online buying intention followed by the actual online buying transaction.

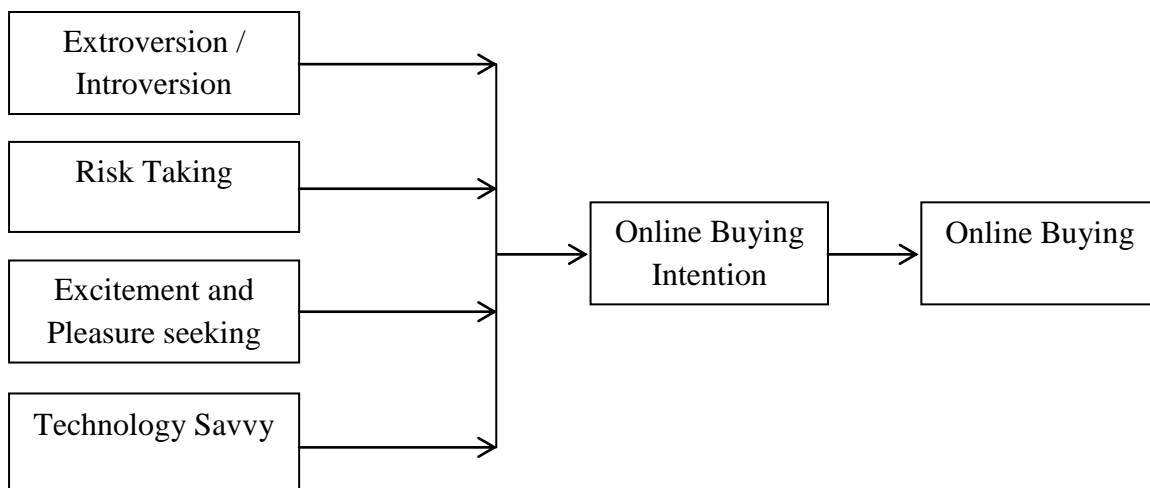


Figure 1 Consumer Personality Factors for Online Buying



OBJECTIVES OF THE STUDY

- To establish the impact of extroversion / introversion of individual personality on online purchase intention of railway tickets.
- To establish the impact of risk taking orientation of individual personality on online purchase intention of railway tickets.
- To establish the impact of excitement and pleasure seeking aspect of individual personality on online purchase intention of railway tickets
- To establish the impact of technology savvy personality of individuals on online purchase intention of railway tickets.

METHODOLOGY

The study undertaken is descriptive, diagnostic, and causal in nature. It is aimed at identifying the critical personality parameters of users / buyers in online booking of railway tickets in India through using the registered railway website of Indian Railway Catering and Tourism Corporation (www.irtc.com). A study was conducted on a total of 300 sample respondents. The statistical method used in these scales was principal component factor analysis. The guideline used was a factor loading of 0.5 or above (Hair et al. 1995).

RESULTS AND DISCUSSION

Reliability concerns the extent to which a measurement of a phenomenon provides stable and consistent result. In assessing measurement reliability, Fornell and Larcker (1981), stress the importance of the reliability of each measure (individual item), and the internal consistency or composite reliability of each construct (Cronbach, 1951). The reliability score and factorial loading of each item were found to be well above the acceptable criterion of 0.50 (see Table 1). The results of the study established the reliability of a total of 14 items, which were grouped under 4 factors / components viz., Extrovert and Introvert Personality; Risk-Taking Personality; Excitement and Pleasure Seeking Personality; and Technology Savvy Personality. The reliability score and factorial loading of each item were found to be well above the acceptable criterion of 0.50.



Table 1 Analysis of Factorial Validity and Construct Reliability

Constructs	Measured Items	Factor Loadings (λ)	Composite Reliability (α)
Extroversion and Introversion of Personality (EIP)	EIP1	0.783	0.6600
	EIP2	0.540	
	EIP3	0.535	
	EIP4	0.705	
	EIP5	0.530	
Risk -Taking Personality (RTP)	RTP1	0.595	0.6123
	RTP2	0.538	
Excitement and Pleasure Seeking Personality (EPSP)	EPSP1	0.778	0.8157
	EPSP2	0.692	
	EPSP3	0.640	
	EPSP4	0.611	
Technology Savvy Personality (TSP)	TSP1	0.802	0.7242
	TSP2	0.600	
	TSP3	0.669	

RESEARCH IMPLICATIONS

The growing interest in the Internet as a medium of buying has attracted the attention of both academic researchers and practicing managers. The basic focus of this study has been to conceptualize, develop, and determine the critical components of consumer personality for the success of an online railway reservation system from the users' perspective. The study identifies and examines, and empirically establishes the online buyers' critical personality traits that induce the potential users to reserve railway tickets through online reservation system from both theoretical and practical perspectives. The online reservation system of Indian Railways has certain design features that have to match the users' personality orientations in terms of psychographics and demographics. These elements lead to the generation of purchase intentions followed by the actual purchase of railway tickets through the online reservation system. The implications blend together the knowledge of behavioral sciences, online service marketing, and customer development management; and thus contribute to the theoretical as well as practical perspectives.



CONCLUSION

The application of technology-based online shopping has grown rapidly in recent years. Therefore, an understanding of how to attract, retain and satisfy customers in the context of online buying needs to be explored and studied in detail. Although today's customers are driven by functional and hedonic motives and explore the Internet to search products and services, does not always lead to the actual online buying. Comprehending and managing the dynamics of consumer behavior, becomes crucial, which lays the need for an analysis of online buying patterns in terms of consumer behavioral attributes.

The study appears to be highly relevant and is indicative by nature in the context of people's ongoing preference to reserve long distance railway tickets online in India. In the present lifestyle educated, well-informed, and techno savvy consumers want to save time and adopt smarter ways to buy products or avail services. Following the greater physical mobility of people on the grounds of job search, job placement and relocation, higher education, visit to home towns, frequent office tours, and leave excursions the demand for online booking of railway tickets for long distance tours and travels also growing rapidly. The Ministry of Indian Railways, Government of India, has taken proactive moves to capture a large chunk of techno savvy customers, who prefer online reservation to the traditional counter booking, by providing well-developed online reservation service facility to the users. As personality traits of individual consumers influence the online purchase transaction to a large extent, this particular study has made an attempt to explore the impact of various consumers' / buyers' predominant personality traits on online purchase intention. Based on the analysis of field data, this study reached a logical conclusion that the buyers' personality traits based on Extroversion and Introversion, Risk-Taking, Excitement and Pleasure Seeking, and Savvyness with Technology have a significant influence on their intention to reserve railway tickets online in India for long distance tours and travels. The findings from this study will help the concerned railway authorities to suitably upgrade and maintain their e-ticketing initiatives for the online reservation of railway tickets by taking into account the online buyers' / users' dominant personality traits in Indian context.

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A STUDY ON GREEN MARKETING

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ABSTRACT

Although environmental issues influence all human activities, few academic disciplines have integrated green issues into their literature. This is especially true of marketing. As society becomes more concerned with the natural environment, businesses have begun to modify their behavior in an attempt to address society's "new" concerns. Some businesses have been quick to accept concepts like environmental management systems and waste minimization, and have integrated environmental issues into all organizational activities. Some evidence of this is the development of journals such as "Business Strategy and the Environment" and "Greener Management International," which are specifically designed to disseminate research relating to business' environmental behavior.

INTRODUCTION

Although environmental issues influence all human activities, few academic disciplines have integrated green issues into their literature. This is especially true of marketing. As society becomes more concerned with the natural environment, businesses have begun to modify their behavior in an attempt to address society's "new" concerns. Some businesses have been quick to accept concepts like environmental management systems and waste minimization, and have integrated environmental issues into all organizational activities. Some evidence of this is the development of journals such as "Business Strategy and the Environment" and "Greener Management International," which are specifically designed to disseminate research relating to business' environmental behavior.

WHAT IS GREEN MARKETING

Unfortunately, a majority of people believe that green marketing refers solely to the promotion or advertising of products with environmental characteristics. Terms like Phosphate Free, Recyclable, Refillable, Ozone Friendly, and Environmentally Friendly are some of the things consumers most often associate with green marketing. While these terms



are green marketing claims, in general green marketing is a much broader concept, one that can be applied to consumer goods, industrial goods and even services. For example, around the world there are resorts that are beginning to promote themselves as "ecotourist" facilities, i.e., facilities that "specialize" in experiencing nature or operating in a fashion that minimizes their environmental impact [May 1991, Ingram and Durst 1989, Troumbis 1991].

"the study of the positive and negative aspects of marketing activities on pollution, energy depletion and nonenergy resource depletion." [Henion and Kinnear 1976b, 1]

THIS EARLY DEFINITION HAS THREE KEY COMPONENTS,

1. it is a subset of the overall marketing activity;
2. it examines both the positive and negative activities; and
3. a narrow range of environmental issues are examined.

While this definition is a useful starting point, to be comprehensive green marketing needs to be more broadly defined. Before providing an alternative definition it should be noted that no one definition or terminology has been universally accepted. This lack of consistency is a large part of the problem, for how can an issue be evaluated if all researchers have a different perception of what they are researching. "

WHY IS GREEN MARKETING IMPORTANT

The question of why green marketing has increased in importance is quite simple and relies on the basic definition of Economics "Economics is the study of how people use their limited resources to try to satisfy unlimited wants." [McTaggart, Findlay and Parkin 1992, 24]

Thus mankind has limited resources on the earth, with which she/he must attempt to provide for the worlds' unlimited wants. (There is extensive debate as to whether the earth is a resource at man's disposal, for example, see Gore 1993.) While the question of whether these wants are reasonable or achievable is important, this issue will not be addressed in this paper. In market societies where there is "freedom of choice", it has generally been accepted that individuals and organizations have the right to attempt to have their wants satisfied. As firms face limited natural resources, they must develop new or alternative ways of satisfying these unlimited wants. Ultimately green marketing looks at how marketing activities utilize these



limited resources, while satisfying consumers wants, both of individuals and industry, as well as achieving the selling organization's objectives.

WHY ARE FIRMS USING GREEN MARKETING?

When looking through the literature there are several suggested reasons for firms increased use of Green Marketing. Five possible reasons cited are

1. Organizations perceive environmental marketing to be an opportunity that can be used to achieve its objectives [Keller 1987, Shearer 1990];
2. Organizations believe they have a moral obligation to be more socially responsible [Davis 1992, Freeman and Liedtka 1991, Keller 1987, McIntosh 1990, Shearer 1990];
3. Governmental bodies are forcing firms to become more responsible [NAAG 1990];
4. Competitors' environmental activities pressure firms to change their environmental marketing activities [NAAG 1990]; and
5. Cost factors associated with waste disposal, or reductions in material usage forces firms to modify their behavior [Azzone and Manzini 1994].

OPPORTUNITIES

It appears that all types of consumers, both individual and industrial are becoming more concerned and aware about the natural environment. In a 1992 study of 16 countries, more than 50% of consumers in each country, other than Singapore, indicated they were concerned about the environment [Ottman 1993]. A 1994 study in Australia found that 84.6% of the sample believed all individuals had a responsibility to care for the environment. A further 80% of this sample indicated that they had modified their behavior, including their purchasing behavior, due to environmental reasons [EPA-NSW 1994]. As demands change, many firms see these changes as an opportunity to be exploited.

- McDonald's replaced its clam shell packaging with waxed paper because of increased consumer concern relating to polystyrene production and Ozone depletion [Gifford 1991, Hume 1991].
- Tuna manufacturers modified their fishing techniques because of the increased concern over driftnet fishing, and the resulting death of dolphins [Advertising Age 1991].



- Xerox introduced a "high quality" recycled photocopier paper in an attempt to satisfy the demands of firms for less environmentally harmful products.

COMPETITIVE PRESSURE

Another major force in the environmental marketing area has been firms' desire to maintain their competitive position. In many cases firms observe competitors promoting their environmental behaviors and attempt to emulate this behavior. In some instances this competitive pressure has caused an entire industry to modify and thus reduce its detrimental environmental behavior. For example, it could be argued that Xerox's "Revive 100% Recycled paper" was introduced a few years ago in an attempt to address the introduction of recycled photocopier paper by other manufacturers. In another example when one tuna manufacture stopped using driftnets the others followed suit [Advertising Age 1991].

COST OR PROFIT ISSUES

Firms may also use green marketing in an attempt to address cost or profit related issues. Disposing of environmentally harmful by-products, such as polychlorinated biphenyl (PCB) contaminated oil are becoming increasingly costly and in some cases difficult. Therefore firms that can reduce harmful wastes may incur substantial cost savings. When attempting to minimize waste, firms are often forced to re-examine their production processes. In these cases they often develop more effective production processes that not only reduce waste, but reduce the need for some raw materials. This serves as a double cost savings, since both waste and raw material are reduced. In other cases firms attempt to find end-of-pipe solutions, instead of minimizing waste. In these situations firms try to find markets or uses for their waste materials, where one firm's waste becomes another firm's input of production. One Australian example of this is a firm who produces acidic waste water as a by-product of production and sells it to a firm involved in neutralizing base materials.

SOME PROBLEMS WITH GOING GREEN

No matter why a firm uses green marketing there are a number of potential problems that they must overcome. One of the main problems is that firms using green marketing must ensure that their activities are not misleading to consumers or industry, and do not breach any of the regulations or laws dealing with environmental marketing. For example marketers in



the US must ensure their green marketing claims can meet the following set of criteria, in order to comply with the FTC's guidelines. Green marketing claims must;

- Clearly state environmental benefits;
- Explain environmental characteristics;
- Explain how benefits are achieved;
- Ensure comparative differences are justified;
- Ensure negative factors are taken into consideration; and
- Only use meaningful terms and pictures.

Another problem firm's face is that those who modify their products due to increased consumer concern must contend with the fact that consumers' perceptions are sometimes not correct. Take for example the McDonald's case where it has replaced its clam shells with plastic coated paper. There is ongoing scientific debate which is more environmentally friendly. Some scientific evidence suggests that when taking a cradle-to-grave approach, polystyrene is less environmentally harmful. If this is the case McDonald's bowed to consumer pressure, yet has chosen the more environmentally harmful option.

CONCLUSION

Green marketing covers more than a firm's marketing claims. While firms must bear much of the responsibility for environmental degradation, ultimately it is consumers who demand goods, and thus create environmental problems. While firms can have a great impact on the natural environment, the responsibility should not be theirs alone. In the EPA's 1994 study consumers gave the following reasons for why they damage the environment.

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A STUDY ON RURAL MARKETING IN INDIA

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ABSTRACT

Indian rural marketing has always been complex to forecast and consist of special uniqueness. However many companies were successful in entering the rural markets. They proved that with proper understanding of the market and innovative marketing ideas, it is possible to bag the rural markets. It is very difficult for the companies to overlook the opportunities they could from rural markets. As two-thirds of the Indian population live in rural areas, the market is vast than expected. For the companies to be successful in rural markets, they have to overcome certain challenges such as pricing and distribution. This paper on rural marketing gives examples of two companies who were successful in rural areas with their innovative marketing strategies. They found the way-out for the challenges to become successful. They believed that it is patience which is important to gain loyal customers than entering the rural with aggressive marketing. By introducing the products in to rural markets, companies are not changing customers' tastes and preferences but their habits which is most challenging and in which case if the customer is dissatisfied, it will become more difficult to regain the trust or may be never possible.

Keywords Marketing, Customer Satisfaction, Rural, Development

DEFINITIONS OF MARKETING

Identifying the needs of customers and potential customers, providing products/services that satisfy their needs, and developing efficient processes or systems to deliver your product/service to the market when, where, and how consumers want it.

RURAL MARKETING

Rural marketing is now a two-way marketing process. There is inflow of products into rural markets for production or consumption and there is also outflow of products to urban areas. The urban to rural flow consists of agricultural inputs, fast-moving consumer goods



(FMCG) such as soaps, detergents, cosmetics, textiles, and so on. The rural to urban flow consists of agricultural produce such as rice, wheat, sugar, and cotton. There is also a movement of rural products within rural areas for consumption.

INTRODUCTION

WHAT IS RURAL?

According to the census of India, villages with clear surveyed boundaries not having a municipality, corporation or board, with density of population not more than 400/sq.km and at least 75 per cent of the male working population engaged in agriculture and allied activities would qualify as rural. So, from the above stated conditions, there are 638,000 villages in the country. Of these, only 0.5 cent has a population above 10,000 and 2 per cent have population between 5,000 and 10,000. Around 50 per cent has a population less than 200.

FEATURES OF RURAL MARKETING

The main reason why the companies are focusing on rural market and developing effective strategies is to tap the market potential, that can be identified as follows

1. Large and scattered population

According to the 2001 census, 740 million Indians forming 70 per cent of India's population live in rural areas. The rate of increase in rural population is also greater than that of urban population. The rural population is scattered in over 6 lakhs villages. The rural population is highly scattered, but holds a big promise for the marketers.

2. Higher purchasing capacity

Purchasing power of the rural people is on rise. Marketers have realized the potential of rural markets, and thus are expanding their operations in rural India. In recent years, rural markets have acquired significance in countries like China and India, as the overall growth of the economy has resulted into substantial increase in purchasing power of rural communities.

3. Market growth

The rural market is growing steadily over the years. Demand for traditional products such as bicycles, mopeds and agricultural inputs; branded products such as toothpaste, tea,



soaps and other FMCGs; and consumer durables such as refrigerators, TV and washing machines has also grown over the years.

4. Development of infrastructure

There is development of infrastructure facilities such as construction of roads and transportation, communication network, rural electrification and public service projects in rural India, which has increased the scope of rural marketing.

5. Low standard of living

The standard of living of rural areas is low and rural consumers have diverse socio-economic backwardness. This is different in different parts of the country. A consumer in a village area has a low standard of living because of low literacy, low per capita income, social backwardness and low savings.

6. Traditional outlook

The rural consumer values old customs and traditions. They do not prefer changes. Gradually, the rural population is changing its demand pattern, and there is demand for branded products in villages.

7. Marketing mix

The urban products cannot be dumped on rural population; separate sets of products are designed for rural consumers to suit the rural demands. The marketing mix elements are to be adjusted according to the requirements of the rural consumers.

Advertisements

EMERGING TRENDS IN MARKETS

❖ ONLINE RURAL MARKET (INTERNET, NICNET)

Rural people can use the two-way communication through on – line service for crop information, purchases of Agri-inputs, consumer durable and sale of rural produce online at reasonable price. Farm information online marketing easily accessible in rural areas because of spread of telecommunication facilities all over India. Agricultural information can get through the Internet if each village has small information office.



❖ **INFORMATION THROUGH LOCAL AGRICULTURE INPUT DEALERS**

Most of the dealers have direct touch with the local farmers; these farmers need awareness about pests, disease, fertilizers, seeds, technology and recent developments. For this information, farmers mostly depend on local dealers. For development of rural farmers the government may consider effective channel and keep information at dealers, for farmer education hang notice board and also train the dealer recent changes and developments in agriculture. National Chain Stores large number of stores set up in different rural areas throughout the country by the same organization for marketing its products. Thus national chain stores can serve large number of customers in rural area.

❖ **COST BENEFIT ANALYSIS**

Cost benefit can be achieved through development of information technology at the doorsteps of villagers; most of the rural farmers need price information of agri-produce and inputs. If the information is available farmers can take quick decision where to sell their produce, if the price matches with local market farmer no need to go near by the city and waste of money & time it means farmers can enrich their financial strength.

❖ **NEED BASED PRODUCTION**

Supply plays major role in price of the rural produce, most of the farmers grow crops in particular seasons not through out the year, it causes oversupply in the market and drastic price cut in the agricultural produce. Now the information technology has been improving if the rural people enable to access the rural communication, farmers awareness can be created about crops and forecasting of future demand, market taste. Farmers can equate their produce to demand and supply, they can create farmers driven market rather than supply driven market. If the need based production system developed not only prices but also storage cost can be saved. It is possible now a days the concept of global village.

❖ **MARKET DRIVEN EXTENSION**

Agricultural extension is continuously going through renewal process where the focus includes a whole range of dimensions varying from institutional arrangements, privatization, decentralization, partnership, efficiency and participation. The most important change that



influences the extension system is market forces. There is a need for the present extension system to think of the market driven approach, which would cater the demands of farmers.

❖ PROCESSING INDUSTRY

India is the second largest producer of fruits and vegetables in the world with an annual production of more than 110 million tones of fruit and vegetable only 1.3 percent of the output is processed by the organized sector commercially, the reason higher consumption in fresh form. However, as the packaging, transportation and processing capacities increase, the market for processed fruits and vegetables is projected to grow at the rate of about 20 % per annum. 100 % export oriented units (EOU) and Joint venture units required improving the processing industry.

❖ APANAMANDI / KISAN MANDI / RYTHUBAZAAR

There is a need to promote direct agricultural marketing model through retail outlets of farmer's co-operatives in urban areas. The direct link between producers and consumers would work in two ways one, by enabling farmers to take advantage of the high price and secondly, by putting downward pressure on the retail prices.

❖ RURAL AGRI- EXPORT

Rural produce, raw fruits and vegetable, processing goods, have the potential market in Asian, Europe and western countries. Particularly soudhy countries have commendable potential for Indian rural produce.

❖ INTEGRATED MARKETING

Under this concept, both the supply of inputs and servicing of inputs are undertaken at the same point or by the same company.

PROBLEMS RELATED TO RURAL MARKETING

The rural market offers a vast untapped potential; it should also be recognized that it is not that easy to operate in rural market because of several problems. Rural marketing is thus a time consuming affair and requires considerable investments in terms of evolving appropriate strategies with a view to tackle the problems. The problems are.



❖ **Barter system**

In the developing country like India, even today the barter system i.e., exchange of goods for goods exists. This is a major obstacle in the way of development of rural marketing.

Underdeveloped people and underdeveloped markets

The agricultural technology has tried to develop the people and market in rural areas. Unfortunately, the impact of the technology is not felt uniformly through out the country. Some districts in Punjab, Hariyana or Western Uttar pradesh where rural consumer is somewhat comparable to his urban counterpart, there are large areas and groups of people who have remained beyond the technological breakthrough. In addition, the farmers with small agricultural land holdings have also been unable to take advantage of the new technology.

Lack of proper physical communication facilities

Nearly 50 percent of the villages in the country do not have all weather roads. Physical communication to these villages is highly expensive. Even today, most villages in eastern part of the country are inaccessible during monsoon season.

Inadequate Media coverage for rural communication

A large number of rural families in own radios and television sets there were also community radio and T.V sets. These have been used to diffuse agricultural technology to rural areas. However the coverage relating to marketing is inadequate

Many language and Dialects

The number of languages and dialects vary from state to state region to region. This type of distribution of population warrants appropriate strategies to decide the extent of coverage of rural market.

Market organization & staff

The size of the market organization and staff is very important, to manage market system effective control. However the existing organizational setup particularly at district and block



level needs to be strengthened in order make the services on various aspects available to the farmers timely and also easily accessible to them.

Other influencing factors in Rural Marketing

Natural calamities and Market conditions (demand, supply and price). Pests and diseases, Drought or too much rains, Primitive methods of cultivation, lack of proper storage facilities which exposes grain to rain and rats, Grading, Transport, Market Intelligence (up to date market prices to villagers), Long chain of middlemen (Large no. of intermediaries between cultivator and consumer, wholesalers and retailers, Fundamental practices (Market Dealers and Commission Agents get good part of sale of receipts).

CONCLUSION

Rural markets, as part of any economy, have untapped potential. There are several difficulties confronting the effort to fully explore rural markets. The concept of rural markets in India, as also in several other countries, like China, is still in evolving shape, and the sector poses a variety of challenges, including understanding the dynamics of the rural markets and strategies to supply and satisfy the rural consumers. Gandhiji believed that India's future lay in her villages and rural markets will have a significant part in India's economy. With the technological innovations, infrastructure development and enrichment of human capital in rural areas, backed by policy support by the government recognizes agriculture as one of powerful growth engine.

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A STUDY ON CUSTOMER SATISFACTION TOWARDS MOBILE TELECOMMUNICATION

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ABSTRACT

Mobile communication is one of the hottest areas that are developing extremely fast in present times, thanks to the advances of technology in all fields of mobile and wireless communications. Mobile communications and wireless networks are developing at an incredible speed, with evidences of significant growth in the areas of mobile subscribers and terminals, mobile and wireless access networks, and mobile services and applications.

INTRODUCTION

The traditionally separate Fixed, Mobile, and Internet sectors have been evolving recently toward a single sector, offering numerous implications for those involved in technology and business. It is therefore essential for telecommunication professionals to get a keen grasp of where the industry is heading. Providing a solid foundation in the industry, *Technology, Services, Markets* explores the core requirements of modern mobile telecommunications-from markets to technology. It explains how wireless systems work, how mobility is supported, the underlying infrastructure, and what interactions are needed among the different functional components. The book also examines how mobile communications are evolving in order to meet the changing needs of users. The information provided in the book comes primarily from the four core modules of the Certificate in Mobile Communications Distance Learning program run by the Informa Telecoms Academy in London. Designed by a highly experienced training development team, the program examines the complex and fascinating world of mobile communications. Designed to give a broad picture of mobile communications, the book provides an excellent grounding for those involved in both business and engineering-leaving them much better equipped to fulfill roles within their current or prospective companies.

FEATURES

- Explains mobile communications theory and systems in plain and clear language



- Provides a comprehensive explanation of current and developing communications systems and networks
- Explores the current range of communications services, including converged wireless voice, data, and video
- Examines the market and features the most important emerging technologies.

OBJECTIVES OF THE STUDY

- To study the purpose of using the mobile telecommunication services.
- To study the level of satisfaction of the respondents towards various factors of the mobile telecommunication.

SCOPE OF THE STUDY

This study undertakes to know the customer satisfaction of mobile telecommunication from the professionals, employees business and all age group people. It also throws light on the factors that influence them to go for a mobile telecommunication.

RESEARCH METHODOLOGY

Research as an organized, systematic, data based, critical, objective, scientific, inquiry or investigation into a specific problem, undertaken with the purpose of finding answers or solutions to it. The information provided could be the result of a careful analysis of data gathered first and or data that are already available in the company, industry, archives etc. data can be quantitative or qualitative.

SOURCES OF DATA

- Primary data
- Secondary data

TOOLS USED FOR THE STUDY

- Percentage Analysis
- Correlation

LIMITATIONS OF THE STUDY

- ✓ The study is limited to data collected through questionnaire.
- ✓ The accuracy of the information depends upon the respondents.



- ✓ The data is collected is limited to the customers in Coimbatore city.
- ✓ The respondents view and opinions may hold good for the time being and may vary in the future.

ANALYSIS AND INTERPERTATIONS

Respondents purpose of using mobile communication

S.No.	Purpose	No of Respondents	Percentage of Respondents
1	Official	77	31
2	Personal	106	42
3	Both	67	27
Total	Total	250	100

LEVEL OF SATISFACTION

SOURCE	HS		S		N		D		HD		TOTAL	
	No	%	No	%	No	%	No	%	No	%	No	%
Network coverage	68	27	115	46	27	11	27	11	13	5	250	100
Roaming facilites	59	24	62	25	42	17	60	24	27	11	250	100
Clarity of signals	63	25	87	35	42	17	33	13	25	10	250	100
Voice clarity	82	33	93	37	23	9	32	13	20	8	250	100
Service quality	58	23	62	25	38	15	40	16	52	21	250	100

CORRELATION ANALYSIS

Co-efficient of Correlation Analysis is a statistical tool, which studies the relationship between two variables and correlation analysis involves various methods and techniques used for studying and measuring the extent of the extent of the relationship two variables.



$$r = \frac{n \sum XY - (\sum X)(\sum Y)}{\sqrt{n \sum X^2 - (\sum X)^2} \sqrt{n \sum Y^2 - (\sum Y)^2}}$$

Monthly Income of the respondent and level of satisfaction about Internet Speed

Monthly Income	Level of Satisfaction about Internet Speed					
	HS	S	N	DA	HDS	Total
Upto Rs.10,000	9	13	7	5	4	38
Rs.10,001-20,000	14	19	11	11	7	62
Rs.20001 to Rs.30000	19	25	15	15	9	83
Above Rs. 30000	15	21	15	9	7	67
Total	57	78	48	40	27	250

X	Y	X ²	Y ²	XY
57	38	3249	1444	2166
78	62	6084	3844	4836
48	83	2304	6889	3984
40	67	1600	4489	2680
27	0	729	0	0
N=3		13966	16666	13666

$$r = \frac{N \sum XY - (\sum X)(\sum Y)}{\sqrt{n \sum X^2 - (\sum X)^2} \sqrt{n \sum Y^2 - (\sum Y)^2}}$$

$$= 0.47$$



Educational Qualification of the respondent and level of satisfaction about Value Added Services

Educational Qualification	Level of Satisfaction about Value Added Services					
	HS	S	N	DS	HDS	Total
School Level	5	7	8	4	1	25
ITI & Diploma	12	16	15	7	8	58
College Level	23	19	23	15	12	92
Professional	17	21	21	10	6	75
Total	57	63	67	36	27	250

X	Y	X ²	Y ²	XY
57	25	3249	625	1425
63	58	3969	3364	3654
67	92	4489	8464	6164
36	75	1296	5625	2700
27	0	729	0	0
N=5		13732	18078	13943

$$r = \frac{N \sum XY - (\sum X) (\sum Y)}{\sqrt{n \sum X^2 - (\sum X)^2} \sqrt{n \sum Y^2 - (\sum Y)^2}}$$

$$= 0.55$$

FINDINGS SUGGESTION AND CONCLUSION

Findings

- 42% of the respondents are using their mobile for personal use
- 46% respondents are satisfied with network coverage.
- 25% respondents are satisfied with roaming facilities.
- 35% respondents are satisfied with clarity of signals.



- 37% respondents are satisfied with voice clarity.
- 25% respondents are satisfied with service quality.
- The correlation analysis gives the positive value relative to the Monthly Income of the respondents and level of satisfaction about internet speed.
- The correlation analysis gives the positive value relative to the Educational Qualification of the respondent and level of satisfaction about value added services.

SUGGESTIONS

- The respondents who use their mobile for personal use is high while comparing other factor, so like corporate scheme, personal scheme should be modernized to attract these type of customers.
- The roaming facility is not good between the states among all the service providers.
- Service quality, voice clarity of the service provider should be improved.

CONCLUSION

This study has been conducted in Coimbatore city customers who are all using all type of telecom service providers. Competition in telecom industry is heating up its time for Indian telecom players also to align up in the new dynamic business environment. Telecom industry should think to launch the product according to the needs of customers to satisfy them and make them brand loyal. From the above study we found the quality of service and the ability to attract and retain customers and the success or failure of next-generation communications service providers.

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A STUDY ON E-AUCTION

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ABSTRACT

E-Auctions initiated by the buyer use the internet to share communications, and this provides both buyers and suppliers with visibility of bid status in real-time and allows an instant response.

INFORMATION ABOUT INTRODUCTION TO E-AUCTIONS

The use of on-line auctions (e-auctions) has increased rapidly in the last few years since they came onto the purchasing scene in the late 1990's through the development of internet-based applications. Research undertaken by CIPS in conjunction with Oracle and the University of West England - IAdapt, -estimates that, within the UK alone, during 2002 there have been at least 2500 individual e-auctions undertaken by buyers and that they have grown at least ten fold each year since their arrival. The Financial Times stated on 13/03/02 that worldwide e-auctions turnover had reached \$30bn with savings of \$6.4bn.

AUCTION MEANING

Market mechanism by which buyers make bids and sellers place offers; characterized by the competitive and dynamic nature by which the final price is reached. An online auction project that holds online auctions of various products on a website and serves sellers and bidders accordingly. The system is designed to allow users to set up their products for auctions and bidders to register and bid for various products available for bidding.

ONLINE AUCTION OR THE E AUCTION SYSTEM PROJECT CONSISTS OF THE FOLLOWING PARTS

- **Bidder Login** Here the buyer or the product bidder can see a list of products up for bidding and place his/her bid on the product.
- **Seller Login** This is the seller module where the seller posts a product up for auctions.



- **Admin Login** This module is for the administrator who may delete fake or unwanted ads.
- **Report generation** Admin gets a report whenever wanted stating various products up for bidding and various users registered on the website.
- **SMS notification** Auction winners and losers get an sms notification whether they won or lost the bid.

ADVANTAGES OF E – AUCTION

- No noisy crowds like conventional system where users have to sit and bid.
- Excludes general frustration that usually happens while bidding in conventional system.
- No schedule constraint that means bidder can bid any time and from anywhere.
- The bidding process can be conducted on a global scale

ELECTRONIC AUCTIONS (E-AUCTIONS)

Auctions conducted online

● **BENEFITS OF E-AUCTIONS**

BENEFITS TO SELLERS

- Increased revenues
- Optimal price setting
- Removal of expensive intermediaries
- Better customer relationships
- Liquidation
- Lower transaction costs
- Lower administrative costs

BENEFITS OF E-AUCTIONS TO BUYERS

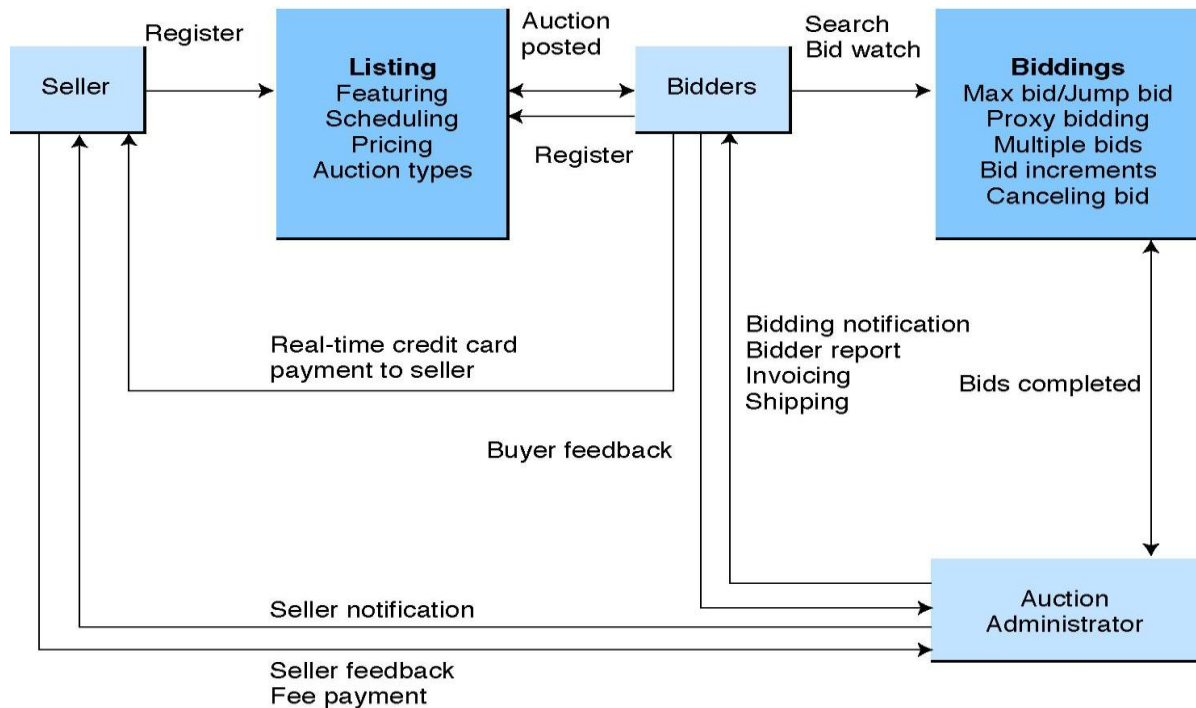
- Opportunities to find unique items and collectibles
- Lower prices
- Entertainment
- Anonymity
- Convenience



BENEFITS TO E-AUCTIONEERS

- Higher repeat purchases
- A stickier Web site
- Expansion of the auction business

THE E-AUCTION PROCESS



LIMITATIONS OF E-AUCTIONS

- Possibility of fraud
- Limited participation
- Security
- Auction software
- Long cycle time
- Monitoring time
- Equipment for buyers

THE E-AUCTIONS PROCESS AND SOFTWARE SUPPORT

ADDITIONAL TERMS AND RULES

- **vertical auction**

Auction that takes place between sellers and buyers in one industry or for one Commodity.



- **single auction**
Auction in which at least one side of the market consists of a single entity (a single Buyer or a single seller)

- **double auction**
Auction in which multiple buyers and sellers may be making bids and offers simultaneously; buyers and their bidding prices and sellers and their asking prices are matched, considering the quantities on both sides

- **bundle trading**
The selling of several related products and/or services together

PROTECTING AGAINST E-AUCTION FRAUD

- User identity verification
- Authentication service
- Grading services
- Feedback forum
- Insurance policy
- Escrow services

REVIEWS

Online auctions are sales transactions involving competitive bidding that are conducted over the Internet. Whether the sales take place between individuals, between consumers and merchants, or between businesses, online auctions have enjoyed a rapid increase in popularity. The value of goods and services traded through consumer online auctions more than doubled from \$3 billion in 1999 to \$6.4 billion in 2000, according to a Jupiter Research study quoted by Joelle Tessler in the *Knight-Ridder/Tribune Business News*. In fact, some business analysts claim that online auctions—by giving both buyers and sellers access to a vast global marketplace—have created a whole new way of doing business. "Online auctions are a method of commerce that did not really exist several years ago and couldn't exist offline on the scale it does online," Jeff Jordan of the leading Internet auction site eBay told Tessler.



As of 2000, the majority of traffic at online auctions consisted of transactions between individuals on hosted sites like eBay. The consumer online auction process has been described as being similar to a garage sale, with commonly offered items including collectibles, antiques, toys, clothing, and event tickets. Online auctions appeal to individuals who enjoy the competitive bidding process and like to feel as if they are getting a bargain. Most Web sites that host auctions allow buyers and sellers to negotiate payment methods and shipping details. Costs are usually limited to a small percentage of the final sales price.

SETTING UP AN ONLINE AUCTION

Setting up an online auction requires a small business to make a number of choices in order to establish the rules and conditions under which the bidding will take place. Hosted auction sites usually offer sellers some options, while auction software packages vary greatly in the number of options they provide. Either way, small businesses should have input into the basic parameters of the auction process. For example, a typical online auction requires the registration of both buyers and sellers and the collection of sale items, along with digital images and descriptions. The seller may be able to establish the start date and end date of the auction, as well as determine which auction method to use. It is also important to select preferred payment methods and establish a process for delivering items to customers.

CONCLUSION

A small business involved in an online auction may also have input into various settings that control the way the auction works. According to Korper and Ellis, auction settings are incorporated into most software packages and can be adjusted through most host sites. Sellers can thus specify the minimum bid, or the lowest acceptable starting price for a particular item; the bid increment, or the minimum amount by which a new bid must exceed the previous bid; the minimum current bid, or the lowest acceptable bid at any point in time, given the minimum bid and bid increment settings; the reserve price, or lowest price the seller will accept for the item; and the start and end date, which define the period when bids are accepted. It is also often possible to set the type of auction (open call or sealed bid, for example), and the process for resolving ties. The seller should always establish the settings prior to the beginning of the auction and never change them once the bidding process has begun.



ADVANCEMENT AND APPLICATION OF INFORMATION TECHNOLOGY IN INDIAN BUSINESS

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ABSTRACT

Business in India, one the fastest growing economies, has been growing faster ever since 'economic liberalization' opened the floodgates of worldwide trade in 1991. Tremendous scope for business exists in India, which boasts of being the 10th largest economy of the world in terms of market exchange rate and third largest on count of Purchasing Power Parity. Information technology makes it possible for the business leaders and decision makers to devise various business strategies based on economic theories. This is done with the flow of information to decision makers and employees throughout an organization. By implementing effective IT, the operations of the organization can be easily analyzed by the managers.

INTRODUCTION

Information technology has served as a big change agent in different aspect of business and society. It has proven game changer in resolving economic and social issues. 21st century has been defined by application of and advancement in information technology. Information technology has become an integral part of our daily life. According to Information Technology Association of America, information technology is defined as “the study, design, development, application, implementation, support or management of computer-based information systems.”

Over the years, India has emerged as the key destination for global sourcing of IT and ITeS, accounting for around 52 percent share in the global sourcing market during FY13. Indian IT/ITes sector's contribution to the domestic GDP has increased from just 1.2 percent in FY98 to around 8 percent in FY13. The IT services and BPO segment is estimated to provide direct employment to around 3 million people and indirect employment to nearly 9.5 million people as on FY13. While, the growth of the IT and ITeS industry has moderated in



the past couple of years due to global economic slowdown, there is still huge growth potential with opportunities imminent in both mature and emerging services and verticals, states a recent report by Dun & Bradstreet.

BIG PROMISES OF BIG DATA

Big data refers to rapidly increasing structured and unstructured datasets/information with huge volumes, which is difficult to process using traditional data processing applications. Majority of the data existing in any company is in unstructured form (i.e. in raw form such as audio, video and social messages) which if analyzed properly can offer a competitive advantage.

While, several companies are collecting, storing and analyzing this data, most of them fail to utilize the information in an optimum manner and make use of it for their business decision making. The failure of some companies to utilize it in an effective manner is because of huge volume of data, complex ways to access the data and lack of budget for securing big data.

Big data analytics will enable the companies to predict user trends on a real time basis and prepare customised promotional campaigns to boost revenue per user and quickly adjust as per changing user demands.

According to Nasscom, as on 2012, India's big data industry size is estimated at around \$200 million. It is expected to grow at a tremendous pace in the near future and reach \$1,000 million by 2015, increasing at a CAGR of over 70 percent during 2012-2015. This is expected to be driven by India's already well-established IT and ITes market, which offers significant cost advantage, increasing demand for big data implementation across industry verticals such as healthcare, retail, telecom and financial services.

CHANGES IN BUSINESS ENGAGEMENT AND PRICING MODELS

The Indian IT and ITes industry has adapted itself to the changing demand and business scenario and developed solutions, which are customised as per the client requirements. The transforming business scenario has led to a shift from initial FTE (Full-Time employee requirement) to fixed price or subscription based pricing models and now



towards non-linear models such as hybrid based, gain-share, transaction based, outcome based and pay-per use models.

In the near future, the industry is expected to witness increased acceptance of these new-age pricing and business models that will help clients control cost and leverage the benefits of resource pooling.

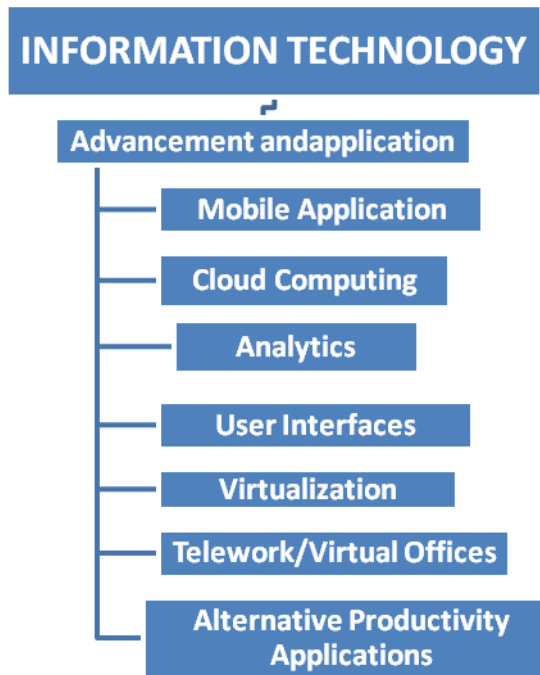
FOCUS ON CYBER AND DATA SECURITY

Cyber security is one of the core focus areas for the industry in the current business scenario. Presently, India faces several issues in addressing cyber security concerns due to multiple administrative bottlenecks and huge cost involved. Increasing penetration of internet and boom in e-commerce has led to exponential growth of cyber space. Further, the rapid growth of smart phone users and its usage for doing transactions has been adding to its expansion. Given the rapid pace with which this sector has grown, it has been difficult to maintain the pace at which cyber infrastructure needs to be developed. However, several initiatives have been rolled out by the Indian government to keep India free from cyber threats and ensure data security.

NASSCOM, in alliance with DSCI (Data Security Council of India), has launched several initiatives to endorse data security and set privacy standards. Some of them include, 'Cyber Labs Programme', which is creating capacity of LEAs (Law Enforcement Agencies) by training police officers in cyber-crime investigations and cyber forensics, spread awareness about the issue through seminars and workshops and setting up alternate dispute resolution mechanism among others.

ADVANCEMENT AND APPLICATION OF INFORMATION TECHNOLOGY

Advancement and application of information technology are ever changing. Some of the trends in the information technology are as follows



1. Cloud Computing

One of the most talked about concept in information technology is the cloud computing. Clouding computing is defined as utilization of computing services, i.e. software as well as hardware as a service over a network. Typically, this network is the internet. Cloud computing offers 3 types of broad services mainly Infrastructure as a Service (IaaS), Platform as a Service (PaaS) and Software as a Service (SaaS).

Some of the benefit of cloud computing is as follows

- Cloud computing reduces IT infrastructure cost of the company.
- Cloud computing promotes the concept of virtualization, which enables server and storage device to be utilized across organization.
- Cloud computing makes maintenance of software and hardware easier as installation is not required on each end user's computer.

Some issues concerning cloud computing are privacy, compliance, security, legal, abuse, IT governance, etc.



2. Mobile Application

Another emerging trend within information technology is mobile applications (software application on Smart phone, tablet, etc.) Mobile application or mobile app has become a success since its introduction. They are designed to run on Smartphone, tablets and other mobile devices. They are available as a download from various mobile operating systems like Apple, Blackberry, Nokia, etc. Some of the mobile app are available free where as some involve download cost. The revenue collected is shared between app distributor and app developer.

3. User Interfaces

User interface has undergone a revolution since introduction of touch screen. The touch screen capability has revolutionized way end users interact with application. Touch screen enables the user to directly interact with what is displayed and also removes any intermediate hand-held device like the mouse. Touch screen capability is utilized in smart phones, tablet, information kiosks and other information appliances.

4. Analytics

The field of analytics has grown many folds in recent years. Analytics is a process which helps in discovering the informational patterns with data. The field of analytics is a combination of statistics, computer programming and operations research.

The field of analytics has shown growth in the field of data analytics, predictive analytics and social analytics. Data analytics is tool used to support decision-making process. It converts raw data into meaningful information. Predictive analytics is tool used to predict future events based on current and historical information. Social media analytics is tool used by companies to understand and accommodate customer needs.

5. Virtualization

Just as cloud computing and SaaS have revolutionized the way companies access their software applications, recent trends in virtualization are allowing businesses to eliminate entire server farms and slash the associated operating costs. In addition to streamlining and making IT infrastructure more economical and flexible, server



virtualization has laid the groundwork for more strategic IT initiatives going forward. As a result, Infrastructure-as-a-Service (in which companies rely on equipment owned by service providers) and Platform-as-a-Service (IaaS with a software development framework) are also growing in popularity.

6. Telework/Virtual Offices

With cloud computing capabilities and other advances in office connectivity growing by leaps and bounds, companies worldwide are realizing the cost-saving benefits of virtual office environments. By moving away from traditional physical office-based business models toward remote network structures, more and more businesses are taking advantage of this new technology to increase productivity and reduce overhead.

7. Alternative Productivity Applications

Influenced by the recent economic downturn, companies are looking for new methods of improving productivity, increasing employee efficiency and optimizing their overall business processes. In this pursuit, new solutions in videoconferencing, unified communications and business intelligence applications will continue to grow and develop, since they help employees to work collaboratively in remote office environments. In addition to improvements in these already established areas, there is considerable demand and room for growth in the productivity software sector, with more and more businesses adopting new programs designed to improve efficiency, lower operating costs and streamline business processes. The every changing field of information technology has seen great advancement and changes in the last decade. And from the emerging trend, it can be concluded that its influence on business is ever growing, and it will help companies to serve customers better.

CONCLUSION

Several IT vendors have realized the need and are already offering solutions for enterprises to secure their data. In the near future, India is expected to increase its expenditure on cyber and data security to bring it at par with other developed nations and maintain its lead as a key destination for outsourcing. The every changing field of information technology has



seen great advancement and changes in the last decade. And from the emerging trend, it can be concluded that its influence on business is ever growing, and it will help companies to serve customers better.

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ADVANCES IN PROMOTIONAL ELEMENTS USED FOR ONLINE MARKETING

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ABSTRACT

Promotion is one of the components of marketing mix. Promotion is a spark plug in marketing mix. It is the process of marketing communication aimed to inform, persuade and influence people. Promotion, in its broadest marketing sense, encompasses all selling activities – advertising, sales promotion, personal selling and publicity. The particular way an individual marketer combines these activities is called promotion mix. Diversity in consumer wants and advances in technology has led to the use of many promotional techniques in Online Marketing. Utilizing the various Promotional Tools of Internet marketing, the business people are competing in the Markets. The paper focuses on the advances in promotional elements used for online marketing. The advent of the Internet and, more specifically, the rise of Web-based tools and technologies, have given the customers a new voice.

INTRODUCTION

Marketing is about communicating the value of a product, service or brand to customers or consumers for the purpose of promoting or selling that product, service, or brand. The oldest – and perhaps simplest and most natural form of marketing – is 'word of mouth' (WOM) marketing, in which consumers share their experiences of a product, service or brand in their day-to-day communications with others. These communications can of course be either positive or negative. In recent times, advances in technology has led to the evolution of, online marketing, where the consumers are actively engaged in rating, commenting and buying goods and services. Online marketing, also called online advertising or Internet advertising, is a form of marketing and advertising which uses the Internet to deliver promotional marketing messages to consumers. It includes email marketing, search engine marketing (SEM), social media marketing, many types of display advertising (including web banner advertising), and mobile advertising



PROMOTIONAL ELEMENTS

Marketing mix is the policy adopted by the manufacturers to get success in the field of marketing. The term 'Marketing mix' became popularized after Neil. H. Borden's published his article, 'The concept of the Marketing Mix' in 1964. The ingredients in Borden's marketing mix includes product planning, pricing, branding, distribution channels, personal selling, advertising, promotions, packaging, display, servicing, physical handling and fact finding and analysis. E. Jerome McCarthy later grouped these ingredients into four categories that today are known as the 4P's of marketing. The 4P's are product, price, promotion and place.

Promotion is one of the components of marketing mix. The word 'Promotion' originates from Latin word 'Promovere'. It means 'to move forward' or 'to push forward' or 'to advance an idea'. Marketers are using multiple promotional programmes to make the consumers to be aware of the product and to induce them to buy the product. Even the most useful and want satisfying product will be a failure if no one knows its availability. Many organizations have started to spend cores of rupees on the promotional activities this shows the importance of promotional activities in the present era.

TYPES OF INTERNET MARKETING

Internet marketing is broadly divided in to the following types

- **Display Advertising** The use of web banners or banner ads placed on a third-party website to drive traffic to a company's own website and increase product awareness.
- **Search Engine Marketing (SEM)** A form of marketing that seeks to promote websites by increasing their visibility in search engine result pages (SERPs) through the use of either paid placement, contextual advertising, and paid inclusion, or through the use of free search engine optimization techniques.
- **Search Engine Optimization (SEO)** The process of improving the visibility of a website or a web page in search engines via the "natural" or un-paid ("organic" or "algorithmic") search results.
- **Social Media Marketing** The process of gaining traffic or attention through social media sites.
- **Email Marketing** Involves directly marketing a commercial message to a group of people using electronic mail.



Online Marketing Promotional Tools and Techniques

The paper lists only some of the tools of internet marketing as new tools keep on developing while the old tools keep on disappearing as technology evolves from time to time. Every Business can use those tools which easily allow them to reach to their consumers or clients or end user etc. without any much hardship.

➤ **WEB BANNER ADVERTISING**

Web banners or banner ads typically are graphical ads displayed within a web page. Many banner ads are delivered by a central ad server. Banner ads can use rich media to incorporate video, audio, animations, buttons, forms, or other interactive elements using Java applets, HTML5, Adobe Flash, and other programs.

➤ **POP-UPS/POP-UNDERS**

A pop-up ad is displayed in a new web browser window that opens above a website visitor's initial browser window. A pop-under ad opens a new browser window under a website visitor's initial browser window.

➤ **FLOATING AD**

A floating ad, or overlay ad, is a type of rich media advertisement that appears superimposed over the requested website's content. Floating ads may disappear or become less obtrusive after a preset time period.

➤ **EXPANDING AD**

An expanding ad is a rich media frame ad that changes dimensions upon a predefined condition, such as a preset amount of time a visitor spends on a webpage, the user's click on the ad, or the user's mouse movement over the ad. Expanding ads allow advertisers to fit more information into a restricted ad space.



➤ **EMAIL ADVERTISING**

Email advertising is ad copy comprising an entire email or a portion of an email message. Email marketing may be unsolicited, in which case the sender may give the recipient an option to opt out of future emails, or it may be sent with the recipient's prior consent (opt-in).

➤ **CHAT ADVERTISING**

Chat advertising refers to real time messages dropped to users on certain sites. This is done by the usage of live chat software or tracking applications installed within certain websites with the operating personnel behind the site often dropping adverts on the traffic surfing around the sites. In reality this is a subset of the email advertising but different because of its time window.

➤ **ADWARE**

Adware is software that, once installed, automatically displays advertisements on a user's computer. The ads may appear in the software itself, integrated into web pages visited by the user, or in pop-ups/pop-uppers. Adware installed without the user's permission is a type of malware.

➤ **CONTENT MARKETING**

Content marketing is any marketing that involves the creation and sharing of media and publishing content in order to acquire and retain customers. This information can be presented in a variety of formats, including blogs, news, video, white papers, e-books, infographics, case studies, how-to guides and more.

➤ **SOCIAL NETWORKS**

The Internet has made the practice of creating connections and building relationships much more virulent. People have become more accustomed to participating with each other online.

Following could be ascertained as the three top social networks



LinkedIn This is your business suit. LinkedIn is not very conversational in its orientation, but people expect you to have a profile there. The network lends a degree of professional credibility. This site requires the least amount of upkeep.

Face book This is the business casual look. Facebook allows more of a 360-degree view of you by combining both your professional and your personal sides. Facebook is a more conversational platform than LinkedIn.

Twitter This is your cocktail hour. Think of afterhours social networking events, and you've got Twitter. It's the most informal of the three networks, and allows for the greatest degree of conversation.

➤ **LIGHTS! CAMERA! ACTION – ONLINE VIDEOS**

Video is everywhere we want it to be and available on demand when we choose to consume it. All of this points to the fact that, more than any other technology, including social networks; online video is the next killer app of the Web. The future of the Internet is video. YouTube was just the beginning. Now it's accompanied by sites like ooVoo, seesmic, Revver, Viddler, Kyte, Vimeo, and Fliqz, and the list just keeps on growin

INTERNET MARKETING A BOOM

1) Cost Effective and Enduring Marketing Strategies

The Internet has become the information superhighway for the buying public. Most persons prefer the hassle free transactions that Internet shopping can offer. As a result, the Internet has become the most powerful selling tool. Internet Promotion offers cost effective ways for small businesses to enhance their product or service distribution networks. For example, the use of portals can help create new marketing channels and logistics, or provide better or faster product access for customers.

In comparison to other forms of marketing, Internet Promotion presents the advantage of reduced budget and storage costs, when compared with printing brochures, producing television or radio advertisements or managing a call centre. It presents a fast and cost effective option for penetrating new markets.



2) Market Penetration

With millions of person using the Internet to search for products and services, small businesses can penetrate other markets at a fraction of the cost of traditional marketing methods.

Websites act as virtual storefronts, allowing businesses to stay open 24/7. Internet Promotion gives a business greater visibility, thereby creating more opportunities for increasing its customers at relatively low cost. Never before has it been easier for an upstart business to be able to reach out to literally millions of potential customers and to position themselves for success, without the need for costly infrastructure and overwhelming marketing costs. Thanks to the Internet, new businesses can become popular almost overnight.

3) Low Cost, Instant Communication

Email makes business communications instant, whether the customer or business affiliate is across the street or across the globe. It makes it easier for customers to maintain contact and readily facilitates repeat purchasing. An effective online strategy can therefore turn a small web business into a virtual cost saver and income-generating machine. The net result is that the small business can gain significant competitive advantage in a given market.

Many online businesses have therefore resorted to the use of ezines, blogs, pop-up ads and other online marketing tools to let customers know about new products or services as well as provide information relevant to their respective industry. The benefits of this strategy are twofold. Marketers can effectively heighten brand awareness for relatively new products on the market whilst strengthening customer relationships, with shorter time frames.

4) Content is Timeless

Internet Promotion also provides the advantage of being enduring. Whereas participation at a trade fair or conference loses sales impact, once it is over, and an advertisement in a newspaper or business magazine may quickly lose its sales generating value within a day or two or as soon as the next issue is released; Internet Promotion is often timeless. Apart from the dates and sometimes prices, much of your website content remains valid years after.



5) Real Time Statistics For Measuring Success of Promotion Campaign

One of the most significant advantages of Internet Promotion is that its success is measurable. Marketers can use tools that provide real time statistics, on unique visitors, repeat visitors, click through rates (CTR) on advertisements, thereby allowing them to evaluate the effectiveness of a promotion campaign. This enables marketers to determine what works for their particular market and to make timely changes in their marketing strategies.

6) Time Saving

Another important advantage of Internet Promotion is that it saves time since it generally does away with counselling on product uses and benefits, service information and sales administration. Visitors can access "frequently asked questions" to help themselves, and can buy online, without the involvement of staff. This saves time and money. So, whether 10 or 10,000 visitors visit the site, the increased cost is marginal whilst the savings can be immense.

INTERNET MARKETING A BANE

1) Difficulty in Attracting Customers

Small business may not have the resources to pay for paid directory inclusion, pay per click inclusions and often have to rely solely on search engine optimisation or word of mouth to drive traffic to their sites. With millions of businesses selling the same product and services, competing with more established businesses can be frustrating and costly venture for small business.

On the other hand, larger companies can offer promotions, pay for directory inclusions, implement pay per click campaigns as well as employ the "who is who" in internet marketing to develop campaigns that generate traffic and leads.

2) Difficulty in Evaluating Legitimacy of Transaction

Another notable disadvantage of doing businesses online is that it may be difficult for the businesspersons and consumers to thoroughly evaluate the legitimacy of a transaction.



Small businesses are particularly vulnerable to thieves using stolen credit cards and stolen information to do online transaction.

With Internet credit card and identity fraud on the rise, small businesses are forced to finance costly security measures to reduce their vulnerability to fraudulent transactions.

3) Salespersons and Customers are Isolated

Another disadvantage of promotion via the Internet is that the customers and businesspersons are isolated. There is little personal contact between customer and salesperson prior to and after the sales is closed. Thus, the prospect for repeat sales may thus be diminished. Entrepreneurs are therefore compelled to adopt marketing strategies to drive online users back to their site.

CONCLUSION

From all indications, it appears that the advantages of Internet promotion, far exceed the disadvantages. With adequate knowledge, entrepreneur can benefit significantly from Internet promotion.

More and more, the growth and outreach of the Internet, its ease and accessibility for customers is becoming inevitable. Like any business approach, Internet Promotion is not without its risks and weaknesses. **But still the** Advances in promotional elements of online marketing is beneficial to the customers as well as to the business people.

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BRAND FACTORS – A DETERMINANT OF PURCHASE INTENTION OF BRANDED WASHING MACHINES

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INTRODUCTION

Organizations are continuously facing new equations in their operating environment in every direction. Complex competitive status, vulnerable demand forecast, varying consumer preference, existence of too many brands, changing attitude of channel intermediaries, shortening of the product lifecycle, are making marketing decisions extremely difficult and risky. And here comes the role of multidimensional analysis of a particular field. In consumer durable market, the situation is no way better. The durable products such as Mixer Grinder, Television, Refrigerator and Washing machine are getting the status of essential commodities inviting complications and uncertainties. Building a brand identity is the foremost task of a seller to reduce the searching cost of the potential customers. The consumer's product preference is influenced by the brand services that go with it. It is difficult to imagine that in a normal situation, a consumer will make a purchase without paying enough attention to his needs and desires. But when several brands of a particular product, which are similar in quality of performance and external appearance, are available to the consumers; thus, there is a need to take a re-look at analyzing the purchase intention and buyers' choice towards a particular brand. In this study, an attempt has been made by the researcher to study the impact of brand factors (namely brand heuristics, brand knowledge, brand trust, brand loyalty, perceived quality, brand association and overall brand equity) on the purchase intention of branded washing machine.

RESEARCH DESIGN

This study is an empirical and descriptive analysis of predicting the purchase intention and the purchase of specific brands of washing machine through brand factors. Primary data have been collected from the respondents and were analyzed using the statistical tool discriminant factor analysis.



Objective 1 To study the background of the housewives who have been using branded Washing Machine.

TABLE- 1 BACKGROUND CHARACTERISTICS OF HOUSEWIVES USING WASHING MACHINE

Variables	Categories	Frequency	Percent	Cumulative Percent
Place of residence	Rural	94	18.8	18.8
	Semi Urban	190	38.2	57.0
	Urban	214	43.0	100
	Total	498	100.0	
Educational Status	Upto SSLC	123	24.7	24.7
	Secondary School	46	9.2	33.9
	Degree	94	18.9	52.8
	PG and / or above	235	47.2	100.0
	Total	498	100.0	
Husband's Educational Status	Upto SSLC	124	24.9	24.9
	Secondary School	14	2.8	27.8
	Degree	165	33.1	61.0
	PG and / or above	195	39.2	100.0
	Total	498	100	
Type of family	Joint	249	50.0	50.0
	Nuclear	249	50.0	100
		498	100.0	
Husband's Occupation	Self – employed	151	30.3	30.6
	Government Employee	79	15.9	46.6
	Private Employee	239	48.0	94.9
	Professional	29	5.8	100.0
	Total	498	100.0	



Variables	Categories	Frequency	Percent	Cumulative Percent
Family Income/month	Upto Rs. 10000	103	20.7	20.7
	10001-20000	126	25.3	46.0
	20001-30000	131	26.3	72.3
	30001-40000	34	6.8	79.1
	Above Rs. 40000	104	20.9	100.0
	Total		498	100.0
Total Family Expense / Month	Upto Rs. 10000	151	30.3	30.3
	10001-15000	182	36.5	66.9
	15001-20000	125	25.1	92.0
	20001-25000	22	4.4	96.4
	Above Rs. 25000	18	3.6	100.0
	Total		498	100.0

Source Primary data

The above table presents the background characteristics of the housewives who have participated in this study.

Objective 2 To assess the influence of brand factors such as brand heuristics, brand knowledge, brand trust, brand loyalty, perceived quality, brand association and overall brand equity on buyer's intention to purchase branded Washing Machines.

DISCRIMINANT RESULTS PREDICTING THE PURCHASE OF WASHING MACHINE.

Stepwise Discriminant Analysis is performed to predict the purchase of washing machine. The stepwise discriminant analysis resulted in a 2 – step discriminant model.



TABLE 2 THE TESTS OF EQUALITY OF GROUP MEANS OF WASHING MACHINE

ITEMS	Wilks' Lambda	F	df1	df2	Sig.
Brand Heuristics	.905	10.292	5	490	.000
Brand Knowledge	.830	20.108	5	490	.000
Brand Trust	.808	23.361	5	490	.000
Brand Loyalty	.778	27.925	5	490	.000
Perceived Quality	.825	20.747	5	490	.000
Brand Association	.401	146.673	5	490	.000
Overall Brand Equity	.834	19.474	5	490	.000

In the above table the significance levels of the individual variables reveal that on a univariate basis, all the variables display significant differences between the group means at 0.05 level. Visual examination of the group means provide information about the differences between the groups, however, the statistical significance of any specific comparison is not known.

TABLE 3 POOLED WITHIN-GROUPS MATRICES OF WASHING MACHINE

Variables	1	2	3	4	5	6
Brand Heuristics						
Brand Knowledge	.357					
Brand Trust	.346	.510				
Brand Loyalty	.230	.421	.596			
Perceived Quality	.189	.268	.423	.470		
Brand Association	.234	.368	.379	.494	.361	
Overall Brand Equity	.330	.150	.286	.375	.258	.416

The pooled within-groups matrices given in the above table shows the average of separate covariance matrices for the purchase of the mixer grinder used to identify the presence of any multicollinearity between the predictors. The correlation coefficient between any pair of predictors that exceeds 0.80 is considered to be the existence of multicollinearity in that pair of variables.



TABLE 4 VARIABLES IN THE ANALYSIS OF WASHING MACHINE

Step	Variables entered	Tolerance	F to Remove	Min D Squared	Between Groups
1	Brand association	1.000	146.673		
2	Brand association	.945	132.259	.007	Videocon and Others
	Brand heuristics	.945	4.025	.338	Siemens and Videocon

In the above table, existence of multi-collinearity is examined in terms of the tolerance values at each step. The cutoff threshold tolerance value taken for this study is 0.10. On examination of the tolerance values in the above table, it is found that tolerance value for all the variables at each step is more than 0.10. This indicates the acceptable degree of collinearity. The above table presents the two steps of the stepwise discriminant model. In the first step, the brand association entered the model. In the second step, brand association entered the model discriminating between Videocon and others and brand heuristics entered discriminating between the Siemens and Videocon.

Since stepwise discriminant analysis is performed, Mahalanobis D^2 (Min D^2) is used to evaluate the statistical significance of the discriminatory power of the discriminant function(s) and to determine the variable with the greatest power of discrimination. This is used over Rao's V because it is based on generalised squared Euclidean distance that adjusts for unequal variances.

TABLE 5 SUMMARY OF VARIABLES ENTERED/REMOVED OF WASHING MACHINE

Step	Entered	Min. D Squared					
		Statistic	Between Groups	Exact F			
				Statistic	df1	df2	Sig.
1	Brand association	.338	Siemens and Videocon	12.352	1	490.000	.000
2	Brand heuristics	.485	IFB and Whirlpool	4.848	2	489.000	.000



At each step, the variable that maximizes the Mahalanobis distance between the two closest groups is entered

- a. Maximum number of steps is 14.
- b. Minimum partial F to enter is 3.84.
- c. Maximum partial F to remove is 2.71.
- d. F level, tolerance, or VIN insufficient for further computation.

*** Significant at 0.05 level**

The above table gives a summary of the 2 steps involved in the 6-group discriminant analysis. The variables brand association in the first step and brand heuristics in the second step. Discrimination increased with the addition of each variable, achieving by the two steps, a substantial ability to discriminate between the groups.

The overall results are also found to be statistically significant and continue to improve in discrimination as evidenced by the decrease in Wilk's Lambda value (from 0.401 to 0.385). The table below describes the variables that were significant discriminators based on their Wilk's lambda and minimum Mahalanobis D². The overall model fitness is assessed with the Wilk's lambda significant for all steps given in the table below

TABLE 6 WILKS' LAMBDA OF WASHING MACHINE

Step	Number of Variables	Lambda	df1	df2	df3	Approximate F	Statistic	df1	df2	Sig.
1	1	.401	1	5	490	146.673		5	490.000	.000
2	2	.385	2	5	490	59.880		10	978.000	.000

The multivariate aspects of the discriminant model are explained by the Canonical Discriminant Functions reported in the table below. Six groups are involved and the model produced two discriminant functions. The discriminant function displays a canonical correlation of 77.4% in the first function and 19.8% in the second function. The functions 1



and 2 are statistically significant as measured by the Chi-Square statistic. The first function accounts for 97.3% of the variance explained by the two functions, the second function accounts for 2.7%. It is noticed that the largest variance is explained by the first function and the second function explains the smallest amount of variance in the dependent variable.

TABLE 7 EIGEN VALUES OF WASHING MACHINE BRANDS

Function	Eigen value	% of Variance	Cumulative%	Canonical Correlation	Wilk's Lambda	Chi square	df	Sig
1	1.498	97.3	97.3	.774	.385	469.042	10	.000
	.041	2.7	100.0	.198	.961	19.631	4	.001

The contributions of the six predictors are given in the structure matrix table below. This is indicative of each variable's discriminating power.

TABLE 8 THE STRUCTURE MATRIX OF WASHING MACHINE BRANDS

Variables	Function	
	1	2
Brand association*	1.000	.024
Brand loyalty	.491	.130
Overall brand equity	.410	.249
Brand trust	.373	.274
Brand knowledge	.361	.287
Perceived quality	.358	.117
Brand heuristics*	.210	.978



Pooled within-groups correlations between discriminating variables and standardized canonical discriminant functions

Largest absolute correlation between each variable and any discriminant function.

(a) This variable not used in the analysis

The 2 step discriminant analysis resulted in a classification matrix with a hit ratio of 58.1%. Hit ratio indicates the amount of correct classification of the original data. The hit ratio is presented in the table below.

TABLE 9 THE CLASSIFICATION MATRIX OF WASHING MACHINE

Original Count		Videocon	Whirlpool	Others	LG	Samsung	Godrej	Total
	IFB	8	4	0	0	12	0	24
LG	14	100	0	1	14	0	129	
Siemens	7	2	0	0	5	35	49	
Videocon	12	6	55	60	11	0	144	
Whirlpool	15	5	0	0	101	0	121	
Others	5	2	0	0	3	19	29	
%	Ungrouped	1	0	0	0	0	0	1
	IFB	33.3	16.7	.0	.0	50.0	.0	100.0
	LG	10.9	77.5	.0	.8	10.9	.0	100.0
	Siemens	14.3	4.1	.0	.0	10.2	71.4	100.0
	Videocon	8.3	4.2	38.2	41.7	7.6	.0	100.0
	Whirlpool	12.4	4.1	.0	.0	83.5	.0	100.0

a 58.1% of original grouped cases correctly classified.

The predictive accuracy level of the discriminant function is determined by examining the classification matrix which is given below. The hit ratio for the analysis is 58.1%. The final measure of classification accuracy is Press's Q calculated to test the statistical significance that the classification accuracy is better than chance. Press 'Q' is calculated using the formula

$$\text{Press' Q} = \frac{[N - (nK)]^2}{N(K-1)}$$



Where N=Total sample size n = number of observations correctly classified

k = number of groups classified

$$= \frac{[498 - 289 (6)]^2}{498 (6-1)} + \frac{[498 - 2280]^2}{498 * 5} = 613.5$$

Because the critical value of chi square at 0.05 level of significance is less than the calculated value, the discriminant analysis can confidently be described as predicting group membership better than chance as calculated by this classification accuracy measures. To conclude, the researcher has found that factors such as brand heuristics and brand association has a significant influence on the purchase of various brands of washing machine.

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CONSUMER ATTITUDE AND AWARENESS TOWARDS SAMSUNG MOBILES
(SPECIAL REFERENCE TO COIMBATORE CITY)

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ABSTRACT

A World-Class Company From the beginnings as a small trading company, Samsung has evolved to a world-class corporation with businesses that span advance technology. Innovations in consumer electronics to Samsung products development. Samsung shares impactful experiences each day with people around the globe. They measure their success not only in their business achievements, but also by how well they serve community, it makes a difference in people's lives. To discover new experiences. In a changing world they are changing faster. They are relentless in their pursuit of discovery and innovation, creating technologies and providing services that empower. Opening the door to a world of possibility.

INTRODUCTION

Marketing is the practice of understanding what customers need and then communicating how the company can achieve those needs. While advertising, social networking and product packaging design are all part of marketing, so is the analysis of sales and response data to figure out what customers like and want so that the outgoing messages can be adjusted.

OBJECTIVES OF THE STUDY

- To find the awareness of Samsung smart phones.
- To examine the factors influencing purchase of Samsung smart phones.
- To find out the satisfaction towards Samsung smart phones.



RESEARCH METHODOLOGY:

PRIMARY DATA

Primary data may be described as those data that have been observed and recorded by the researcher for the first time to their knowledge. A questionnaire was prepared and with the help of which the primary data has been collected.

SECONDARY DATA

Secondary data about the current data on internet, and journals.

LIMITATIONS OF THE STUDY

- This study is applicable for the Samsung smart phones only.

REVIEW OF LITERATURE

Perception is basically an organism which describes an individual's perceived image which he expect from any product or service. Observation can be changed or influenced by numerous factors

ApoorvaGupta(2010) India has significantly improved the competition climate in its manufacturing sector since 1991 with a string of transform in both domestic and international business policies and plans. The effect of these policies is actually impact with the household commodities which is used by the consumers. In these sectors, due to easy of entry of firms in the market, competition has increased, while in some other sectors, due to the survival of fittest strategies, competition has reduced.

James R. Otto, William Wagner (2004) A significant advantage to third party administration of consumer ratings, at least from the consumer perspective, is the credibility of the rating information. Self reporting, or advertising, of customer ratings by a vendor might be more suspect than an independent entity providing the same information. An additional advantage to an independent entity managing vendor rating is in the area of standardization of data. An intermediary can collect the same type of consumer feedback, using the same methodology, across many vendors. This provides common data that can be compared across different vendors.



FINDINGS

PERCENTAGE ANALYSIS

- 35 % of the respondents are between 18-25 yrs
- 40 % of the respondents are private employees
- 40 % of the respondents using mobiles
- 35 % of the respondents are using Samsung mobiles more than 24 months
- 41 percentage said that price is the factor influencing to purchase
- 52 percentages of the customers said that satisfied about Samsung mobiles
- 53% of the respondents said that quality of the mobile is excellent
- 47% of the respondents said that availability of the mobile is good
- 33% of the respondents said that packaging of the mobile is good
- 35% of the respondents said that accessibility of the mobile is good

CONCLUSION

This study reveals that the overviews about the products manufactured by the Samsung are Satisfactory. The Customer Attitude towards the purchase decisions are influenced more by the way of trust worthy, service, price and quality. It is an attempt to study the Samsung product and its awareness and preference towards the Samsung products is being surveyed to make this study complete. As a result, it has been observed from the respondent that the Samsung products are qualitative and pricing is reasonable and affordable. But the customer also expressed the need of improvement in packing. It is an idea of bringing a social change in the economy exclusively for the middle class community.



CONSUMER ATTITUDE AND AWARENESS TOWARDS ORGANIC PRODUCTS WITH SPECIAL REFERENCE TO COIMBATORE CITY

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ABSTRACT

The study on consumer attitudes and awareness towards organic products represents the essential and empirical component of this research. In the modern market economy, the system of organic products becomes more and more important factor of national and international economic system development. The organic movement is more of a renaissance than a revolution. Until the 1920's, all agriculture was generally organic. Farmers used natural means to feed the soil and to control pests. The 'be natural' approach of the 1960s and 1970s, the growing consumer interest in health and nutrition, the growth of the green movement, the focus on conservation and environmental issues stimulated the development of the organic market and encouraged farmers to adopt organic methods..The organic movement had sprung directly from the customers' demand as they became sick of the health hazards associated with the use of chemicals in food and household products. Products offered only through health food stores in the 1970s and 1980s spread to the corners of supermarkets in the 1990s. Today, organic products occupy prime shelf space in the big chain supermarkets.

INTRODUCTION

Marketing begins with the customer – these are the people who make their business successful and this is where the marketing process begins, not at the point when the product is ready to sell. Entrepreneurs are always naturally enthusiastic about their ideas and assume other people will feel the same, but it doesn't always work that way. During the process of setting up a new business or launching a new product, they need to persuade many people that their product is worth buying, so it helps to know a bit about them first. It helps save them time, money or effort.



CONSUMER ATTITUDE

Consumers are individuals with likes and dislikes. When the preponderance of people in a particular group feels one way or another about a product, service, entity, person, place or thing, it is said to be a generalized consumer attitude that could affect the marketing of that person, product or entity in positive or negative ways. Marketers strive to influence consumer attitudes, and understanding the prevailing attitude is the first step to changing it if needed.

- positive learned attitudes
- negative learned attitudes
- positive experience attitudes
- negative experience attitudes

CONSUMER AWARENESS

The guidelines for consumer protection as laid down by the United Nations have been incorporated in the Consumer Protection Act, 1986. Though the consumer movement is slowly gaining ground in our country, it is still in its infancy as the success of the consumer movement mainly depends upon the level of consumer awareness generated in the country by educating the consumers about their rights and responsibilities

SCOPE OF THE STUDY

The research is applied in the area of customer attitude and awareness towards organic products. The scope of research also helps in understanding the purchase behavior, influencing features of the products of the customers towards the organic products.

OBJECTIVES OF THE STUDY

- To know about the consumer awareness and attitude towards organic products.
- To analyze the potential of organic products.
- To find out the customers buying behavior.

RESEARCH METHODOLOGY

The research methodology is a way of systematically solving the research problem.



It deals with the research design used for the present study. A pilot study was done to evaluate the consumer awareness and attitude towards organic products. On the positive note from the respondents the questionnaire was drafted and finalized.

Research design

A research design is the arrangement of conditions for the collection and analysis of data. The research design used in this project is descriptive and exploratory research to study the consumer attitude and awareness towards organic products with special reference to Coimbatore city.

Method of data collection

The main aim of data collection was to acquire complete and relevant information from all respondents.

Sources of information

A sample design is a definite plan determined before any data actually collected for obtaining samples from a given population. The sample can be either selection of particular units of the universe for constituting a sample which represents the universe

The main source of information for this study is

1. **Primary data**
2. **Secondary data**

Sampling technique

The sampling technique used in this project is convenience sampling. It is chosen primarily on the basis of convenience.

Tools used for analysis

The following statistical tools are used in my study

- chi-square analysis
- Rank analysis



AN OVERVIEW OF ORGANIC PRODUCTS

“Organic is something we can all partake of and benefit from. When we demand organic, we are demanding poison-free food. We are demanding clean air. We are demanding pure, fresh water. We are demanding soil that is free to do its job and seeds that are free of toxins. We are demanding that our children be protected from harm. We all need to bite the bullet and do what needs to be done—buy organic whenever we can, insist on organic, fight for organic and work to make it the norm. We must make organic the conventional choice and not the exception available only to the rich and educated.”

MEANING OF ORGANIC PRODUCTS

Simply stated, organic produce and other ingredients are grown without the use pesticides, synthetic fertilizers, sewage sludge, genetically modified organisms, or ionizing radiation. Animals that produce meat, poultry, eggs, and dairy products do not take antibiotics or growth hormones.

ANALYSIS AND INTERPRETATION

CHI-SQUARE ANALYSIS

TABLE-1

COMPARISON BETWEEN AGE, GENDER AND EDUCATIONAL QUALIFICATION OF THE RESPONDENTS WITH THOUGHT ABOUT ORGANIC PRODUCT

Chi-square test has been applied to find whether there is any significant relationship between educational qualifications of the respondents with the thought about organic product

H0 there is no significant relationship between thought about organic product and personal factor.

Personal factor	Pearson Chi-square value	df	p-Value	Accepted / Rejected
Age	54.57		12.59	Rejected
Gender	2.16		7.815	Accepted
Educational Qualification	14.56		12.59	Rejected

Source: Primary data



The table explains that the personal factors such as the age and educational qualification has a significant influence over thought about organic products. On the other hand gender does not have a significant influence towards thought about organic products. It is concluded that age and gender has a significant influence over thought about organic products.

TABLE-2 - COMPARISON BETWEEN AGE, GENDER AND EDUCATIONAL QUALIFICATION OF THE RESPONDENTS WITH FREQUENCY

Chi-square test has been applied to find whether there is any significant relationship between educational qualifications of the respondents with the frequency of purchase

H0 there is no significant relationship between frequency and personal factor.

Personal factor	Pearson Chi-square value	df	p-Value	Accepted / Rejected
Age	16.77	6	12.59	Rejected
Gender	7.85	3	7.81	Rejected
Educational Qualification	17.18	6	12.59	Accepted

Source Primary data

The table explains that the personal factors such as age and gender have a significant influence over the frequency of buying organic products. On the other hand educational qualifications do not have a significant influence over frequency of buying organic products.

It is concluded that age and gender have a significant influence over the frequency of buying organic products



RANK ANALYSIS

TABLE-3

Factors	Rank						Total score	Average rank score
	Score							
Benefits	No. of respondents	28	6				922	4.61
	Score	40	64	8				
Packaging	No. of respondents	0	4	4	2		812	4.06
	Score	50	36	02	4			
Price	No. of respondents	8	8	8	0		732	3.66
	Score	90	12	04	0			
Taste	No. of respondents	2	6	6	4		652	3.26
	Score	0	04	98	8			
Concern about health	No. of respondents	8	8	8	2	4	724	3.62
	Score	90	72	14	4	4		

Source Primary data

The above table depicts that respondents with an average rank score of 4.61 have given 1st rank for the benefits in organic products, 4.06 have given 2nd rank for packaging of organic products, 3.66 have given 3rd rank for the price of organic products, 3.62 have given 4th rank for concern about health and 3.26 have given 5th and last rank for the taste in organic products. It is concluded that respondents with an average score of 4.61 have given 1st rank for the benefits attained in organic products.



TABLE-4

Factors	Rank						Total score	Average rank score
	Score							
High price	No. of respondents	82	88	18	6	6	834	4.17
	Score	410	352	54	12	6		
Taste is not good	No. of respondents	34	106	48	10	2	762	3.81
	Score	170	424	144	20	4		
Low availability	No. of respondents	48	82	58	12		766	3.83
	Score	240	328	174	24	0		
Low trust	No. of respondents	14	110	46	24	6	702	3.51
	Score	70	440	138	48	6		
Poor appearance	No. of respondents	80	58	34	12	16	774	3.87
	Score	400	232	102	24	16		

Source Primary data

From the above table it is shown that, the respondents with an average rank score of 4.17 have given 1st rank for the high price in organic product, 3.87 have given 2nd rank for the poor appearance in organic product, 3.83 have given 3rd rank for the low availability of organic products, 3.81 have given 4th rank for the poor less taste in organic product and 3.51 have 5th and last rank for low trust in organic product.

It is concluded that the respondents with an average rank score of 4.17 have given 1st rank for the high price in organic products.

FINDINGS

The study has been carefully analyzed using various statistical tools. The final chapter is an attempt to summarize the findings of the study, based on which few suggestions have been made.



Chi – square

Age and gender have a significant influence over the frequency of buying organic products.

Age and gender has a significant influence over thought about organic products

Rank analysis

Respondents with an average score of 4.61 have given 1st rank for the benefits attained in organic products.

Respondents with an average rank score of 4.17 have given 1st rank for the high price in organic products.

CONCLUSION

The better understanding of customer s needs, serving the purpose of better meeting their needs and it also enables consumer s to realize better organic products supply. A quality guarantee of organic products directly influences consumption intensity, absorption power of the market, packaging material design, advertising messages, choice of the distribution channel, and distinguishing organic from conventional products according to their market characteristics makes the fundamental factor of the product differentiation and diversification with the aim of producing such organic product that would certainly find its way to the consumers. Switching to organic products is the best plan for many families who are focused on healthy lifestyles. Sometimes the cost might be prohibitively high or there may be a limited selection of organic foods. In those times, it is good to know how to prioritize which items to buy.

“Save the Planet...Buy Organic”

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- **Brandt et al (2003)** looks at the large number of studies analyzing the effect on human health of food produced according to organic standards compared with conventionally produced food..
- **Ravn et al (2004)** report on the increasing focus on the quality and health value of organic plant products compared with conventional products.
- **Bodini et al (2006)** analyze the reasons why the key market segments of occasional organic purchasers do not purchase more organic food.
- **Benbrook et al (2008)** has reviewed the evidence of the nutritional content of organic fruits and vegetables compared to non-organic.
- **Veeresh (1999)** opines that both high technology and sustainable environment cannot go together.
- **Somani and others (1992)** have published a collection of 42 papers presented at a National Seminar on Natural Farming
- **www.organic products.com**



CONSUMERS BUYING BEHAVIOUR TOWARDS ONLINE SHOPPING

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ABSTRACT

The behavior of consumer has significant influence on the quality and level of the standard of living. They are always looking for new avenues so that they can increase contact with consumers and for the same they are letting no stone unturned. In this regard, the latest trend is online shopping. The increasing use of internet by the younger generation in India, provides an emerging prospect for online retailers. Consumer's shopping behaviour in respect of online shopping was studied using different socio-economic variables. The data was collected through questionnaire. The results of study reveal that online shopping in India is significantly affected by various demographic factor's like age, gender, education and income. This project is a part of study, and focuses on factors which online buyers keep in mind while shopping online. This research found that information, perceived usefulness, ease of use; perceived enjoyment and security/privacy are the five dominant factors which influence consumer perceptions of online purchasing.

INTRODUCTION

Online shopping has become a popular way for consumers. This new innovative pattern of shopping not only brings a great number and wide range of merchandise to consumers; it also offers a huge market and numerous business opportunities. In the past twenty years, we have witnessed the rapid development of the Internet and the geometric growth of the Internet users. From communication, education, and finance to entertainment, we can clearly see the application of the Internet. The Internet has resulted in a great revolution for every industry. The working efficiency, information transmission, and even cultural exchange have been unprecedentedly improved. Without doubt the Internet has influenced our lives deeply in which it plays an indispensable and irreplaceable role.



Online shopping provides all type of goods to be available in the virtual world. It is just like a shop in the neighborhood, selling all type of goods but with some prominent differences. Here one can access these shops any time without stepping out of their home /office. It can be accessed any time when you are on the move, relaxing in your home or having a time out at your office. Here all the products are displayed with the price and detailed mention of the features. Potential customers can have a look at them, analyze what other similar online shopping outlets are offering and can get the best deal out of it. Advertising of web-products & services is one of the major issues where companies fail to attract potential consumer's attention. Companies should focus on offering informative advertisements which would contain product information along with additional products & services offering which best suits needs of people. Such advertisements frequency should be high so as to position the products & brands in consumer mindset.

Top 10 Online Shopping Sites in India

1. Flipkart.com



Flipkart.com ranked as no.1 online shopping site of India because of its product range, services, product quality etc. According to alexa ranking, flipkart is named in top 10 sites used by Indians. The service of flipkart.com is found to be good and trustworthy. Flipkart.com was founded by two Indians only in 2007. Flipkart is also the biggest ecommerce brand of India. The website covers all products from home appliances to gadgets, books to video cds, garments to baby clothes

2. Amazon.in





Amazon is a US ecommerce company which is world's no. 1 ecommerce site. Amazon holds the record of employing maximum number of employees in an Internet based business company. Amazon started its journey from books only but then soon it came up with movie dvds,cds etc. After the success of these products, Amazon never looked back and now provides almost every product online. Amazon India is investing a good amount of money to lure Indians. The exciting offers and good service helped Amazon to take as second best e-Commerce site of India in few days only.

3. Myntra.com



Myntra is an Indian ecommerce site. It is regarded as India's top 3rd online site to shop products. Myntra allows its users to chose varieties of dress. One can choose any type of dress of any brand from Myntra. The best thing about Myntra is its product quality and service. Now, Myntra is merged into Flipkart to compete Amazon, but myntra.com is still running as a separate website and entity. Buying clothes and gifts online can be best done via Myntra.

4. Jabong.com



Jabong.com is again an Indian eCommerce biggie which is really known for its good service and products. All types of lifestyle materials like shoes, dresses, gift items etc. can be bought at best rates from Jabong. Many sources confirm that Jabong is the second most clicked shopping site in India. Although jabong deals in fashion and lifestyle products only, but still is the fourth ranked online shopping site of India in terms of trust and service. The advertisements of Jabong.com are also one of the best among its competitors which helped it to rise at good rate.



5. Snapdeal.com



Snapdeal.com is also an Indian ecommerce site which started in 2010 only but gained a good popularity among Indian buyers in a very less time. In comparison to others, the growth rate of snapdeal is amazing. Snapdeal covers mainly most of the products like flipkart and amazon. This ecommerce site is widely used by people because of its best offers and good delivery service. Apart from eCommerce, Snapdeal also stepped in mCommerce to enhance its business since people nowadays use mobiles a lot to purchase several items. It is also termed as a site which provides products at quite a low price when compared to others. Snapdeal ranks at number 5 today but its business policies can make it the king too.

6. Ebay.in



Ebay is a multinational eCommerce giant from USA which operates in India as ebay.in for its business. Ebay.in sells each and every type of product. It is known for its best online auction capability. It helps the third party to sell its item on the site. From new to old products, everything is available on ebay. It is one of the oldest and strongest ecommerce site of world and India. It holds the position of 6 among Indian online marketing biggies.

7. Alibaba.com





Alibaba.com is new in the Indian market but made a strong impact among Indian because of its fine quality of product and services. Alibaba.com is a Chinese e-commerce site which is known as one of the biggest in the e-commerce field. Alibaba.com ranks 8th in India because of the credibility factor attached with it. Snapdeal and Alibaba are planning something to defeat their other competitors. Everything is available on Alibaba.com

8. Homeshop18



Homeshop18.com is a network 18 group associated e-commerce site managed by Reliance now. Homeshop18 gained its maximum momentum via televisions. It offers a cool range of all products including gadgets, home ware, clothing, jewellery etc. Shopping can be done online but its doing the best on air service in India which adds its online credibility too. It ranks 8th as best online sites of India to trust.

9. Shopclues.com



Shopclues.com is again an Indian major e-commerce site which deals in each and every type of product. Its reported that ShopClues was ranked as top 35 sites in 2011 but now its in top 10 online shopping sites in India. ShopClues is well known for its good product and warehousing. Shopclues is very famous among youth and this favoritism of youth for it helps it to gain momentum in Indian market. The site is well known for its gadgets shopping.



10. Yebhi.com



Yebhi.com is again an Indian eCommerce site famous for lifestyle products including clothing, fashionable items, gift items plus home products too. Yebhi.com began its journey from bigshoebazaar.com but later changed to yebhi.com. Products like mobiles, cameras, shirts, watches, laptops etc. are the backbone of this site. It also made its name in top 10 online shopping sites in India.

Apart from these, sites like Tradus.in, Zovi.com, Koovs.com, yepme.com etc are looking forward to join this top 10 club. Now, very soon Tata is also going enter this eCommerce race.

OBJECTIVES OF THE STUDY

- To study the buying behavior of online shopping.
- To examine the frequency of using the online shopping.

LIMITATION OF THE STUDY

- The study was carried out at a particular point of time, hence the finding of this study reflects the views of the respondent at the movement of time and the study is limited to Coimbatore city, it has not extended to other areas.
- The study covers only the selected online shopping and hence the findings in this respect cannot be generalized.

RESEARCH METHODOLOGY

The research is based upon primary and secondary data both. The primary data was collected through a questionnaire designed exclusively for the study. The questionnaire was designed to collect information about demographic profile of the respondents such as age, gender, education and family monthly income. In addition to this various questions related to



the knowledge and experience about online shopping, reason for choosing online shopping, type of products purchased online, factors affecting consumer's behaviour while online shopping etc. Secondary data was taken from research papers, Journals, magazines and websites.

SAMPLE SIZE

Samples were collected from consumers and buyers of online shopping of Coimbatore region. The size of the sample for the study is 200 respondents from Coimbatore city.

SAMPLE DESIGN

A Sample Design is a definite plan for obtaining a sample from a given population. It refers to the technique and procedure adopted in selecting items for the sampling designs (ie) convenience sampling method has been used in the study.

ONLINE SHOPPING AND CONSUMER BEHAVIOUR

With the emergence of the Internet, Internet-based electronic commerce developed and this environment provide individuals to reach information about products and services easily. Moreover, commercial organisations have moved to incorporate the World Wide Web into their promotional campaigns, and by offering the facility of online purchasing and like many other innovations 'online shopping' has become a part of our lives. It is no secret that businesses' main goal is to sale and sale is provided for other party, consumers. Therefore, for commercial activities, analysing consumers' behaviours is crucial (Deaton and Muellbauer, 1980, Solomon, 2006, Wright and et al., 2008) and since there is no face to face interaction in online businesses, it becomes more important to understand key features of consumer behaviours.

Rogan (2007, cited in Nazir, et al., 2012) indicates the importance of the relationship between the marketing strategy and the behaviour of consumer. He illustrates that 'the strategy is about increasing the probability and frequency of buyer behaviour and requirements for succeeding in doing this are to know the customer and understand the consumer's needs and wants'.



Furthermore, the Internet business have created more competitive environment, understanding features of online shoppers' behaviours have been more important. Moreover, it should be analysed by online sellers that 'why some still prefer not to buy online' (Turan, 2011; 78). Consequently analysing behaviours of online consumers have carried a crucial part for marketing science (Uygun, et al., 2011; 373). Furthermore, businesses and academics are aware of this issues critically therefore over years, increasingly many studies are represented.

Simple Percentage Analysis

A) General Profile of Respondents

TABLE-1 – General Profile of Respondents

Personal Factors	Classification	No. of Respondent	Percentage (%)
Age	Upto 25 yrs	38	19.0
	26 – 35 yrs	87	43.5
	36 – 45 yrs	51	25.5
	Above 45 yrs	24	12.0
Gender	Male	141	70.5
	Female	59	29.5
Marital Status	Married	58	59.0
	Unmarried	142	71.0
Educational Qualification	School	15	7.5
	Graduate	77	38.5
	Post Graduate	92	46.0
	Professional	16	8.0
Occupation	Business	83	41.5
	Employed	61	30.5
	Student	46	23.0
	Housewife	10	5.0
Monthly Income	Below Rs.10000	38	19.0
	Rs.10000-20000	105	52.5
	Rs.20000-30000	47	23.5
	Above Rs.30000	10	5.0
Sources of Awareness	Newspaper	25	12.5
	Television	45	22.5
	Friends & Relatives	54	27.0
	Agents	67	33.5
	Others	9	4.5



B) Mode of payment

Mode of Payment	No. of Respondents	Percentage %
Online Bank transfer	38	19
Debit cards	0	0
Cash on delivery	94	47
Credit Card	68	34

C) Reasons for choosing online shopping

Reasons for choosing online shopping	No. of Respondents	Percentage %
Various mode of payment	31	15
Wide variety of product	69	34
Lower Prices	26	13
Easy Buying Process	74	38

D) Frequency of using online shopping

Frequency of using online shopping	No. of Respondents	Percentage %
Very Often	69	35
Often	74	37
Not very often	57	28

E) Products purchased in online shopping

Frequency of using online shopping	No. of Respondents	Percentage %
Clothes	10	5
Books/CD/Video	16	8
Softwares	12	6
Gifts	18	9
Cinema Tickets	26	13
Travels Tickets	36	18
Hotel Booking	34	17
Electronics	18	9
House-ware	14	7
Toys	16	8



F) Online shopping saves time

Particulars	No. of Respondents	Percentage %
Strongly Agree	40	20
Agree	92	46
Neutral	26	13
Disagree	20	10
Strongly Disagree	22	11

G) Online shopping saves money

Particulars	No. of Respondents	Percentage %
Strongly Agree	44	22
Agree	98	49
Neutral	36	18
Disagree	10	5
Strongly Disagree	12	6

FINDINGS

- 43.5% of the respondents fall under the age group of between 26-35years.
- (70.5%) majority of the respondents are male and are unmarried.
- 46% of them are post graduate level of education.
- 41.5% of the respondents monthly income is between Rs.10000 – 20000.
- 33.5% of the respondents are aware about the online agents.
- 47 % make payment at the time of delivering the product.
- 38% of the respondents reasons for choosing online shopping is easy buying process.
- 37% of the respondents often use online shopping.
- 18% of the respondents product of online buying is travelling tickets.
- 46% of the respondents strongly agree that they save time and money in online shopping.



SUGGESTIONS

- Payment on delivery through cash in the safest choice of payment through online purchase.
- Booking tickets through online shopping saves money and time.
- Clear usage and information about the product is given through online shopping, so it is suggested that online shopping can be encouraged.

CONCLUSION

- The most preferred product of online buying is travelling tickets and clothing remains the least preferred choice of online shoppers.
- Among the payment options, payment on delivery through cash in the safest choice of payment, while credit card are next preferred choice, online bank transfer is least preference choice.
- Online shoppers seek for clear information about product and service, time saving, convenience, security and delivery on time are all important factor for online shopping.

Most of the consumers who have experienced online shopping are very satisfied. The study has given in depth knowledge about the present scenario of online shopping. The study has also enabled to understand necessity of online shopping. The research work done has been a very good experience and has developed an inner confidence to carry any such research work in future.

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CORPORATE COMMUNICATION TRENDS IN TODAY'S WORLD

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ABSTRACT

This study addresses cultural issues in business communication across cultures. The concept of 'negotiated' culture is employed, elaborated and applied to empirical data at organizational and individual contextual levels in intercultural encounters. Communication is viewed as a complex, multi-issued, and dynamic process in which

global managers exchange meaning. Corporate communication is both the newest and perhaps the least understood. It is also the only one of the four that is specifically related to a functional area within organizations. This position article will first define the field of corporate communication as a discipline, then look at how it relates to the other subdisciplines under consideration (management communication, business communication, and organizational communication). The article will also focus on how corporate communication research is evolving in this competitive world.

Keywords : Corporate communication, Crisis Management, Management roles, Corporate culture.

INTRODUCTION:

"Introduction to Corporate Communication" is an undergraduate-level comprehensive introduction to the exciting field of corporate communication. It poses as a complete guide to corporate communication, its theoretical foundations as well as all of its individual disciplines and contemporary practical issues. An individual introduces the disciplines of corporate communication being internal communication, media relations, financial communication, marketing communication, corporate advertising and government relations

DEFINITION:

To facilitate corporate communication, a business manager will usually need to have or develop considerable interpersonal skills - such as effective speaking, writing and listening -



in order to best assist information sharing within their department also called organizational communication.

IMPORTANCE OF COMMUNICATION IN THE BUSINESS WORLD

Business people without exception can cite instances where a project deadline was not met, a customer complaint was not handled well or stockholders were not well informed about the status of the business. While there are usually extenuating circumstances that caused the glitch, almost always poor or inadequate communication was part of the problem. Good business communication could have helped alleviate the situation.

✓ **Good Business Communication:**

Good communication means the intended message you send is received by your audience without any distortions in meaning. This definition applies to not only personal communication among friends or relatives, but to business situations where you may be communicating with a co-worker one-on-one or in a meeting with several or more people. The key here is clarity.

✓ **Good Communicators Generally Do Good Work:**

Good business communication helps get the job done well, on time and on budget. The boss or team member who can communicate objectives, reasoning and step-wise tasks in a concise and coherent manner contributes more to a company's success than one who does not. These communicators are highly valued in today's complex and competitive business world, and are often earmarked for promotion and increased responsibility.

✓ **Controlling communication flow:**

Today there are many more ways to communicate than there were just a few years ago and access to communication devices is almost universal in most businesses. Communication is also almost instantaneous. The ease with which you can use a laptop, cell phone or other device to communicate with co-workers, clients and others has made doing business easier. But, it can have drawbacks. To ensure your business is using modern communication effectively make sure you have ways to archive information for later access. For example, a



salesperson needs to archive email messages from and to clients so that exact job specs are readily available and jobs are handled properly.

✓ **Cross-Cultural Communication:**

In today's global economy, businesses cannot ignore the importance of cross-cultural communication. Businesses are finding that it is in their best interest to learn about national, cultural and ethnic groups they need to communicate with to grow their businesses. Knowledge of language and local customs are important to that growth as a misstep can cause a lost sale or a delayed project

THREE TRENDS IN CORPORATE COMMUNICATION:

1) Nearly all employees are corporate representatives:

Both a blessing and a curse, traditional corporate spokes people can be any employee who participates in social communications, even if they don't officially represent the company. We found in a recent survey that the average enterprise corporation has a whopping 178 social media accounts globally. To make matters more complicated, the blur between personal and work social media accounts like Twitter and Facebook confuses both communications staff and employees.

2) Companies must respond *faster* to customer woes in public:

Forever gone is the day of sweeping customer complaints under the carpet. In the current Google world, corporations must address customers in public. They see the speed required to respond increase, as minor issues can escalate within hours. Business communications is no longer limited to 9-5, but now a watchful eye has to be put in place. They see an increase of outsourcing to agencies that offer brand monitoring, community management, and real-time response.

3) Communication crises on the rise:

Our recent research peering into 50 case examples has found that social media crises are on the rise year to year. Ironically, I have segmented these corporations in mainstream media, as those get the attention of executives. Why the increase? The media loves to stick-it-to-the-



man by telling stories of single consumers bucking a nasty corporation. With the pile-on-effect from social media, these stories glean heavy traffic and comments.

4) Relinquish control, usher “enablement”:

Mostly in business school, they taught to control the message and encourage corporate representatives to stay on message. Yet today, as departments including support, sales, HR and beyond participate in social media, communication is spread to the edges of the company—not just from executive communicators. As a result, communicators have changed their mindset to allow other departments to participate, based on pre-set parameters and guidelines.

5) Educate your workforce:

In insurance companies, employees worked with multiple workflows in place, including sample language in which other employees should respond. Beyond creating these workflows, they must be distributed throughout the company through education programs, and drilled. Savvy corporations have up to four types of education programs spanning the executive, social media, business stakeholder, and associate teams. Even if the mandate is for rank and file employees to *not* respond on social media on behalf of the company, reinforcing education is still required.

6) Host mock crises:

Mostly employees are found a few corporations that work with agency partners have setup mock fire drills. For instance, within a few short hours, Weber Shandwick simulates accelerated week-long crises with several stakeholders using its software Firebell. Not only does this test the mettle of the organization, it provides useful training so companies can respond faster, in a more coordinated approach. We should expect compliance programs to eventually require corporations be “social-crises-ready.”

NEED AND ITS IMPORTANCE

➤ **Why is Corporate Communication Needed ?**

With the proliferation of activities that any company does, there needs to be a mechanism through which it advertises its achievements, answers queries about its performance, and has



a window to the external world in times of crises and other catastrophes. The corporate communication department of any organization performs the three functions listed above. Before the deepening of private sector activity, companies used to have public relations departments or used to outsource their public relations activities to specialized firms that had the expertise. Even now, many multinationals have corporate communication teams that double up as event management teams in addition to their media interfacing activities. Indeed, companies like Infosys have dedicated spokespersons whose sole function is to liaise with the media because these companies often are in the public eye. Apart from the reactive media interfacing in response to queries and requests for information, corporate communication teams also are proactive in media management, which means that they actively suggest media coverage to the press and set the agenda about what to be written about the company and how it is to be covered.

➤ **Yet another Glitzy Function or Value Adding Teams ?**

It is often the case that many employees in the companies think that corporate communication teams are all hype and fashion with no substance. This is because of the nature of the work that they do which is glossy and hip. However, it needs to be mentioned that corporate communication teams play a vital role in driving the news coverage about the companies and in these days of 24/7 news coverage, the one of representing the company's viewpoint accurately and reliably falls on the shoulders of the corporate communications teams. In most IT companies, the nerdy and the geeky crowd often downplay the importance of the corporate communications teams. This is not the ideal attitude towards the practice of corporate communications and should be discouraged. Instead, a nuanced appreciation of what corporate communications is all about must be articulated by the management to the employees so that they do not dismiss it as all hype and no substance.

The Advantages of Positive Coverage and the Perils of Misrepresentation

Lets starts with disadvantages first, it is clear from the recent downsizing in many IT companies that unless the media are kept informed about the stance of the management, the media coverage would be anything but friendly. Often, there are many rivals with agendas and these translate into poor or negative reporting about the company. On the other hand, if the corporate communications teams proactively brief the media about instances of downsizing and other crises and shapes perceptions that are favorable to the company



viewpoints, then the advantages of having corporate communications teams becomes apparent.

Final Thoughts

There is no denying the fact that in this current media landscape where news changes by the minute, having a dedicated corporate communications is the answer to the problem of having the company's perspective put forward. In conclusion, corporate communications teams are indispensable and any attempt to sideline them as a peripheral activity would boomerang on the company.

SCOPE OF CORPORATE COMMUNICATION:

Scope of Corporate Communication Corporations - Departments with the tasks such as community relations and marketing communications dealing with an organization's reputation and service to clients. Nonprofit Agencies - Options ranging from membership organizations to social and cultural groups, hospitals, and health care agencies offer public relations opportunities where fund raising is always involved. Entertainment, Sports and Travel - Communicators in these areas are usually concerned with press agency and promotion of events. Publicity is an important part of practitioner duties here. *Government and Military - Here communicators focus on promotion of political issues (often including lobbying), information dissemination about government activities to citizens, and information distribution to and about the military. Education - Higher education opportunities cover relationships with alumni, faculty and administration, students, and the general public promoting the college image, recruiting students, and raising funds. International - With today's almost instantaneous global communication, intriguing new areas have opened. These areas are particularly desirable for bilingual or multilingual practitioners who are familiar with many cultures.

- **MANAGEMENT PERSPECTIVE IN CORPORATE COMMUNICATION:**

Management Perspective in Corporate Communication Strategic and Operational Management Knowledge Develop strategies for solving public relations and communication problems. Manage the organization's response to issues. Develop goals and objectives for the communication department. Prepare a departmental budget and Manage people. Research



Knowledge Perform environmental scanning. Determine public relations to your organization use research to segment publics and conduct evaluative research.

- **OUTSOURCING OF CORPORATE COMMUNICATION:**

Outsourcing of Corporate Communication among the most alarming trends in corporate communications today is the great amount of outsourcing used by major companies today. Nearly 47% of Fortune 500 companies are increasingly outsourcing communications work to advertising and marketing communications agencies and public relations firms.

BENEFITS OF BUSINESS COMMUNICATION:

Business communication can take many forms, written and verbal. It can be between managers and employees within a company, or between a company and its customers, partners or suppliers. The purpose of business communication also varies, but it should always benefit your business. When carried out effectively, business communication can build your company's reputation, resolve and prevent conflicts, and contribute to strong relationships between your company, its customers and the business community.

- ❖ **BUILD CUSTOMER RELATIONSHIP:**

Few businesses would grow or even survive without the benefits gained through marketing communications. You can take advantage of the wide variety of media available to let the public know about your products or services. Use business communications to establish your company as an authority or thought leader in your industry. Offer a white paper or online articles that discuss common problems business owners face and present your company's solution. A weekly or monthly newsletter to your prospects or established customers will help build trust by providing helpful tips and information. Occasionally sending out a direct mail or email survey will help you get to know your customers and better fill their needs. Freely sharing your expertise and gathering feedback from your customers will help you build a strong relationship with your customer base, and establish your company as a trusted expert in your industry.

- ❖ **MOTIVATE TEAM:**

Good communication within an organization can help foster cooperation between members of management and the employees they oversee. When giving instructions, planning a project or explaining a change in policy, it's important to convey the reasons behind a request or



decision. Such consideration helps to promote understanding and build trust between you and your employees. Even in a small business, the success of any project depends on the ability of team members to work together, and good communication is the key to successful collaboration. Effective communication within a company involves listening and responding to your employees' ideas and needs. Your willingness to do so demonstrates a respect for the individuals who contribute daily to the growth of your business.

❖ **STRENGTHEN PARTNERSHIP:**

Communication is also important when dealing with suppliers, outsourced providers and other outside business contacts. You can avert many problems by clearly outlining your needs and expectations when you enter a relationship with a provider. In addition to negotiating a detailed service agreement, maintaining phone or email communication throughout your business relationship will make it easier to implement changes or deal with issues.

CONCLUSION:

This study has discussed the historical development of communication in organizations, the emergence and significance of corporate communication and the ways in which communication is organized in contemporary corporate organizations. This discussion provides a context for understanding why corporate communication emerged and how it is useful for today's organizations. The study also described the variety of factors that triggered the emergence of corporate communication and continue to drive its widespread use within companies around the globe. Corporate communication has brought a more strategic and integrated perspective on managing communication for the benefit of the entire organization. To give this shape, many corporate organizations have consolidated communication activities into a single department with ready access to the executive decision-making team.

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A STUDY ON CURRENT SCENARIO OF CORPORATE SOCIAL RESPONSIBILITIES IN INDIA

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ABSTRACT

This paper contains the evolution and current scenario of CSR in India and changes in the CSR scenario after the introduction of the Companies Act 2013. Over the years, Corporate India has played a significant role in the socio-economic development of the country. Its innovative approach, appropriate technological interventions, skilled manpower, geographical spread and the capacity to compete with the best in the world has instilled much confidence and hope that India is well on its way to becoming a global super-power. Economic liberalization initiated at the start of the decade of the 90's has given much impetus to this process. The developing world now looks up to India to provide leadership on how corporate can integrate their efforts with the developmental processes in the country in a seamless manner. This synergy is critical if any nation intends to leverage the strength of its corporate sector for nation building.

Keywords: Corporate social responsibility (CSR), companies Act

INTRODUCTION

Over the past few years CSR, as a concept, has been the focus of many deliberations and research. It has grown in importance both academically as well as in the business sense. It captures a spectrum of values and criteria for measuring a company's contribution to social development. As the term 'CSR' is used continually, many complementary and overlapping concepts, such as corporate citizenship, business ethics, stakeholder management and sustainability, have emerged. These extensive ranges of synonymously used terms indicate that multiple definition have been devised for CSR, mostly from different perspectives and by those in facilitating roles such as the Corporate sector, government agencies, academics and the public sector. A widely cited definition of CSR in the business and social context has been given by the European Union (EU). It describes CSR as 'the concept that an enterprise is accountable for its impact on all relevant stakeholders. It is the continuing commitment by business to behave fairly and responsibly, and contribute to economic development while



improving the quality of life of the work force and their families as well as of the local community and society at large. In other words, CSR refers to ensuring the success of the business by inclusion of social and environmental considerations into a company's operations. It means satisfying your shareholders' and customers' demands while also managing the expectation of other stakeholders such as employees, suppliers and the community at large. It also means contributing positively to society and managing your organization's environmental impact.² Hence, CSR is a contribution to sustainable development, implying the way a company balances its economic, environmental and social objectives while addressing stakeholder expectations and enhancing shareholder value.

CSR not only includes the activities that a company undertakes in order to utilize their profit to enable social and environment development, but also includes the methods that a company employees in order to earn these profits including socially responsible investments, and transparency to various stakeholders among others. Realizing the importance and the long term benefit of being socially responsible many companies have incorporated socially responsible business practices. The basic objective of CSR is to maximize the company's overall impact on the society and stakeholders while considering environment and overall sustainability.

EVOLUTION IN INDIA

India has a long tradition of paternalistic philanthropy. The process, though acclaimed recently, has been followed since ancient times albeit informally. Philosophers such as Kautilya from India and pre-Christian era philosophers in the West preached and promoted ethical principles while doing business. The concept of helping the poor and disadvantaged was cited in several ancient literatures. In the pre-industrialized period philanthropy, religion and charity were the key drivers of CSR. The industrial families of the 19th century had a strong inclination toward charity and other social considerations. However, the donations, either monetary or otherwise, were sporadic activities of charity or philanthropy that were taken out of personal savings, which neither belonged to the shareholders nor did it constitute an integral part of business. During this period, the industrial families also established temples, schools, higher education institutions and other infrastructure of public use. The term CSR itself came into common use in the early 1970s. The last decade of the twentieth century witnessed a shift in focus from charity and traditional philanthropy toward more direct engagement of business in mainstream development and concern for disadvantaged



groups in the society. In India, there is a growing realization that business cannot succeed in isolation and social progress is necessary for sustainable growth. An ideal CSR practice has both ethical and philosophical dimensions, particularly in India where there exists a wide gap between sections of people in terms of income and standards as well socio-economic status (Bajpai, 2001). In the last decade, CSR has rapidly evolved in India with some companies focusing on strategic CSR initiatives to contribute toward nation building. Gradually, the companies in India started focusing on need-based initiatives aligned with the national priorities such as public health, education, livelihoods, water conservation and natural resource management.

CURRENT SCENARIO

In the year 2003, Corporate Responsibility for Environmental Protection (CREP) was introduced by the Indian government as a guideline for 17 polluting industrial sectors. There was however no real pressure for implementation or internalization. Besides individual efforts by all the countries, internationally also some CSR standards and guidelines have been defined. These international CSR standards and guidelines include the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, OECD Guidelines for Multinational Enterprises, UN Global Compact and The Universal Declaration of Human Rights².

In India, the Companies Act 1956 does not contain any provision regarding corporate social responsibility. The scene of CSR in India changed with the introduction of Companies Act 2013. The industrial lobbies are abuzz with the CSR clause introduced by the Companies Act 2013. According to the Indian Institute of Corporate Affairs, of the 1.3 million companies in India, about 6,000-7,000 companies are covered under the new CSR rule³. Scholars, industry insiders, politicians and the civil society are debating the earmarking of 2% of the net profits of a qualifying company for CSR initiatives and earmarking the avenues for CSR initiatives under Schedule VII. The same has been discussed in detail under 'Industry Sentiments'.

INDUSTRY SENTIMENTS

On August 8 2013, by passing the Companies Act 2013 along with Clause 135, India gave wings to its dream of converting billions of cash reserves available with the companies into development. The opinions drawn by the move is a mixed bag.



Analysts all around the country are estimating the amount of funds that the corporate would inject into social development. The new regulation would mean that the top 100 companies by Annual net sales in 2012 will spend Rs.5, 611 core on CSR activities, compared with the Rs.1,765 core that they are spending now, according to a March report published in Forbes India magazine⁷. Such influx of funds would multiply the existing reserves with NGOs, social businesses and others working with social issues. This would not only create a huge demand for fund managers in NGOs but would also require development of proper reporting mechanisms in order to trace the funds.

CONCLUSION

Different organizations have framed different definitions - although there is considerable common ground between them. My own definition is that CSR is about how companies manage the business processes to produce an overall positive impact on society. Clause 135 introduced by the Companies Act 2013 would go a long way in strengthening the social initiatives taken by the companies. Apart from boosting transparency and accountability, it would also open up the avenue for Corporate Social Responsibility Consulting. However, steps are required to be taken to sort out issues of penalties in the event of non disclosure, scope of Schedule VII, internal controls etc. If the law is followed truly with spirit, Indian corporate would succeed in discharging its social responsibility in an effective and efficient manner.

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EFFECTIVENESS OF ONLINE MARKETING

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ABSTRACT

Online marketing refers to a set of powerful tools and methodologies used for promoting products and services through the Internet. It includes a wider range of marketing elements than the traditional business marketing due to the extra channels and marketing mechanisms available on the Internet. The broad online marketing spectrum varies according to business requirements. Effective online marketing programs leverage consumer data and customer relationship management (CRM) systems. Online marketing connects organizations with qualified potential customers and takes business development to a much higher level than the traditional marketing/advertising. Online marketing is also known as Internet marketing, Web marketing, digital marketing and search engine marketing (SEM).

Online marketing synergistically combines the Internet's creative and technical tools, including design, development, sales and advertising, while focusing on the following primary business models:

- E-commerce
- Lead-based websites
- Affiliate marketing
- Local search

Online marketing has several advantages such as :

- **Low costs:** Large audiences are reachable at a fraction of traditional advertising budgets, allowing businesses to create appealing consumer ads.
- **Flexibility and convenience:** Consumers may research and purchase products and services at their leisure.
- **Analytics:** Efficient statistical results are facilitated without extra costs.
- **Multiple options:** Advertising tools include pay-per-click advertising, email marketing and local search integration (like Google Maps).



- **Demographic targeting:** Consumers can be demographically targeted much more effectively in an online rather than an offline process.

The main limitation of the online marketing is where goods are being sold, the lack of tangibility means that consumers are unable to try out, or try on items they might wish to purchase. Generous return policies are the main way to circumvent such buyer apprehension. Online marketing has outsold traditional advertising in recent years and continues to be a high-growth industry.

Keywords: Online marketing , Search engine, Advertising, Tangibility, Synergistic

INTRODUCTION

Online marketing is also known as web marketing, internet marketing, E-Marketing or I-marketing. The term literally translates as ‘advertising online or on the web’. **Online marketing** is an interactive tool which can be used between marketers and the public at large. The sole purpose of effective online marketing advertisements is to utilise a campaign strategy at the lowest possible cost and risk investment, in order to maximise sales potential and receive a high return on investment (profit).

OBJECTIVES OF ONLINE MARKETING

Online marketing objectives define what you want to achieve through your online marketing campaign. They set the reasons why your business wants to go online and allow you to estimate and monitor the progress of your online marketing activities. They also provide an incentive to focus on critical areas and formulate strategies to help achieve intended objectives. Different businesses may develop different e-marketing objectives depending on their individual circumstances. A useful framework for developing effective Online marketing objectives is the five S’s framework, which includes:

- Sell – using the internet to sell products and services
- Serve – using the internet to serve customers
- Speak – using the internet to communicate with customers (both existing and potential)
- Save – using the internet to save/ reduce cost



- Sizzle – using the internet to build brand identity
- When setting your objectives, you need to make sure that they are:
- *Specific* – specify what is to be achieved
- *Measurable* – expressed in measurable terms such as key performance indicators, outcomes, numbers, percentage, dollars, etc.
- *Action-oriented* – state which actions need to be taken and who will take them
- *Realistic* – achievable with the resources available
- *Time Specific* – establish specified time frames.

Examples of some typical e-marketing objectives could be:

- To achieve 20% online sales within the first year of launching online marketing campaigns.
- To increase online sales for all products by 15% in the net year.
- To grow email coverage to 50% of the current customer base by the end of next year.
- To reduce the annual cost of direct marketing by 20% through e-mail marketing.
- To improve brand awareness, brand favourability and purchase intent by surveying 300 online customers each month.

There are several ways and means of really bringing out the very best in an online marketing strategy. Understanding how online marketing works, develops from the beginning and grows is of vital importance. Below is an overview as to why online marketing is so effective as an advertising medium and the various tools that you can make use of to achieve the most desired results.

ADVANTAGES OF ONLINE MARKETING

Online marketing costs are somewhat inexpensive in comparison with other mediums. Cost effective design and well planned campaign strategies can reach a broader target audience (which can be viewed from virtually anywhere in the world) for a smaller price tag than most traditional advertising budgets.



- Online marketing allows consumers of the world to research and purchase services and products at their own pace and convenience. This is massively appealing to the many diverse societies of the world. People are also drawn in better if the option of choice is abundant and results are seen quickly.
- The overall success and effectiveness of an online marketing campaign largely depends on the business goals laid out, as well as cost volume profit (CVP) analysis (a form of cost accounting).
- Online marketing allows for statistics to be measured more easily and at a lower cost. Virtually all elements of an online marketing campaign can be traced and tested in some way, shape or form. Methods in which this can be done include pay per impression (CPM: cost per thousand viewers), pay per click (PPC: a host company is paid every time an advertisement is clicked on), pay per play (PPP: pay per audio advertisement played) or pay per action (PPA: an advertiser pays for a specific action related to an advertisement, such as a form submission or a purchase). Web analytics are also a useful tool in being able to effectively track the exposure, response and overall efficiency of online marketing by collecting, analysing and reporting back internet data. Here, advertisers can determine the best return on investment (ROI). Tracking and measuring can be done almost instantaneously since online marketing encourages interaction by clicking on the ad and visiting the website, as well as other target actions.
- Pay per click advertising is notably the most effective means of generating immediate traffic to a website. Advantages of this form include only paying when a user interacts with an ad (clicks on it), the source of traffic can be easily tracked as well as identify which ads are achieving the best result in a campaign, and targets an audience more specifically (ads appear when a web user searches for keywords that are relevant to a specific company or business).
- Online marketing campaigns can be implemented much faster than traditional forms of advertising, reaching a targeted audience within a matter of days and in some cases, hours.
- Online marketing provides a greater flexibility level whereby campaigns can be altered to test new markets, evaluate new programmes and make changes more specific to a targeted market.
- Search engine optimisation (SEO) companies who specialise in helping companies best market their products and services online can successfully place them on the top



or first page of major search engines and directories, such as Google, MSN and Yahoo. This will ensure that competitors are kept at bay (at a lower level on a search engine website), with the sole aim of generating quick and efficient sales or services, as well as increasing a profit ratio.

DISADVANTAGES OF ONLINE MARKETING

The main limitation of online marketing is where goods are being sold, the lack of tangibility means that consumers are unable to try out, or try on items they might wish to purchase. Generous return policies are the main way to circumvent such buyer apprehension.

EFFECTIVE ONLINE MARKETING TOOLS

Tools that can be used to make an **online marketing** campaign at its most effective include:

1. Domain name – website addresses should be unique, simple, short, and memorable, as well as strongly reflect what a company stands for and intends to offer their target audience. This is essentially a company's very first online marketing tool. If the name chosen isn't memorable and reflects the nature of the company, it is not likely to achieve success.
2. Content – better content makes for a better website. Content should be packed with keywords that search engines can easily pick up on when a web user is online. Keywords in online marketing are truly a quality tool as this is what will draw a targeted audience onto your website.
3. New material and updates – constant and consistent updates whereby new information is added will give your website content more bulk that has the added benefit of enticing viewers to return. Improvements will by no means go unnoticed by the public at large.
4. Simplicity – by keeping things simple and concise, a targeted audience doesn't feel that their time is being wasted, as in today's fast paced society, time is of the essence.
5. Marketing your website – advertising your website on other websites such as Zeuzzo or doing Absence can greatly create more awareness of a company's brand, services or products.



6. Blogs – are fast becoming essential tools for online marketers as they can build a content rich website, as well as attract targeted traffic from all major search engines.

MEASURING THE EFFECTIVENESS OF ONLINE MARKETING

Measurement is what makes marketing a science, rather than a superstition. For many business owners, marketing is a superfluous expense—something to spend money on only when the budget is flexible enough to accommodate it. This is because the return on investment on marketing is, in many cases, unpredictable. Your ad could be a resounding hit, flooding you with thousands of new interested customers, or it could be a seeming dud, wasting your time and money.

Solid metrics give you the insight to overcome this hurdle of unpredictability. If you're just starting out or you need to overhaul your existing marketing strategy, make sure to familiarize yourself with these 10 marketing metrics:

1.Total Visits

Your main website should be a primary target for your customers and potential customers, but you can also measure total visits to any location relevant to your strategy, such as a landing page for a pay-per-click campaign. Measuring your total number of visits will give you a 'big picture' idea of how well your campaign is driving traffic. If you notice your numbers drop from one month to the next, you'll know to investigate one of your marketing channels to figure out why. In a healthy, steady campaign, you should expect your total number of visits to grow steadily.

2. New Sessions

A metric found in Google Analytics, the total number of new sessions will tell you how many of your site visitors are new and how many are recurring. It's a good metric to understand because it tells you whether your site is sticky enough to encourage repeat customers as well as how effective your outreach efforts are. For example, if you change the structure or content of your site significantly and your ratio of recurring visitors to new visitors drops, it could be an indication that your website is losing effectiveness in warranting multiple visits.



3. Channel-Specific Traffic

Found in the ‘Acquisition’ section of Google Analytics, your channel-specific metrics will segment your traffic based on their point of origin. This is especially useful for a full-scale digital marketing campaign because ‘total visits’ can’t give you an indication of which channels are outperforming the others. The four main channels to keep an eye on are:

1. ‘direct,’ which will tell you how many people visited your site directly;
2. ‘referrals,’ which include external links from other sites;
3. ‘organic,’ which includes visitors who found you after performing a search, and;
4. ‘social,’ which includes visitors who found you through social media. It’s an excellent way to gauge the strengths of your SEO, social media marketing, content marketing, and traditional marketing campaigns.

4. Bounce Rate

The bounce rate shows you what percentage of visitors leave your website before further exploring your website. For example, if a potential visitor finds your homepage after searching for you and leaves the page before clicking any other links, they will be considered to have ‘bounced.’ Generally, you want the bounce rate to be as low as possible because the more time someone spends on your site, the more likely they are to convert and perform meaningful action. However, a high bounce rate isn’t necessarily a bad thing, as I outlined in my article,

5. Total Conversions

Total conversions are one of the most important metrics for measuring the profitability of your overall marketing efforts. While it’s possible to define a conversion in many ways (such as filling out a lead form, completing a checkout on an e-commerce site, etc.), conversions are always seen as a quantifiable victory in the eyes of a marketer. You can measure conversions on your site directly, depending on how it’s built, or you can set up a goal in Google Analytics to track your progress. Low conversion numbers could be the result of bad design, poor offerings, or otherwise disinterested visitors.



6. Lead to Close Ratio

This is less a measure of your marketing efforts and more a measure of your sales success, but it's important to understand in the context of your total return on investment. Without an efficient and successful sales follow-up, any leads you get from marketing could be useless. This metric is easy to define: simply divide your total number of sales by your total number of leads, and you'll get a ratio that defines your sales success independent of your marketing efforts. If your close rate is low, any drop in revenue or overspending could merely be a symptom of inefficient final sales strategies.

7. Customer Retention Rate

Customer retention can be difficult to measure if your buy cycle is long or if your business revolves around typically one-time-only sales. However, subscription-based services, e-commerce platforms, and most conventional businesses can measure customer retention by calculating what percentage of customers return to your business to buy again. A low customer retention metric can be a symptom of a product or service that isn't sticky, or an indication of lacking outreach programs. Customer retention is also an important factor for calculating the average value of a customer.

8. Customer Value

Customer value is a difficult metric to calculate. It isn't going to tell you the health of your sales or marketing efforts, but it is going to be helpful in determining your overall return on investment. It can also be useful in setting your annual company goals. To find your average customer value, you have to take into account all sales the average customer will initiate over the course of your relationship. For startups, calculating this is next to impossible, but you can generate a reasonable estimate based on the number of transactions you can expect per customer per year.

9. Cost per Lead

Your cost per lead is dependent on the type of strategy you used for each lead generation channel, so it's a much more specific metric than some of the 'big picture' figures we discussed earlier. To calculate your cost per lead, take a look at the average monthly cost of your chosen campaign and compare it to the total number of leads you generated with that specific channel over the same period. For example, if you spent \$500 in advertising for a pay-per-click campaign and achieved 10 total conversions over the same period, your cost per



lead would be \$50. Be sure to incorporate ‘invisible’ costs, such as management time, startup costs, and peripheral expenses.

10. Projected Return on Investment

Your return on investment (ROI) is the single most important factor for any individual marketing campaign because it demonstrates its profitability. A positive ROI means your marketing strategy is effective, while a negative ROI indicates a serious need for adjustment. To calculate the ROI for your campaign, you’ll compare your cost per lead against your lead to close ratio, and compare that figure against your average customer value. For example, if you pay \$50 per lead and close 50 percent of your leads, you’ll pay \$100 for each successful new customer. If your average customer value is more than \$100 in this example, you’ve generated a profit and your marketing campaign can be considered a success. Regularly checking these metrics will provide you with an accurate pulse of the health of your digital marketing campaign. Over time, you’ll be able to refine your tactics, closely examine which strategies work best and why, and end up with a steady marketing rhythm that can generate more than enough leads to cover your marketing costs and deliver a significant profit.

BEST INDIAN ONLINE SHOPPING WEBSITES





FUTURE TRENDS OF ONLINE MARKETING

As other continents open up to more and more web access to its citizens, there will likely be an influx of new web users who will impact consumer interests and the worldwide financial landscape. It has been suggested that countries within Asia could impact this landscape phenomenally the next few years as its citizens become more sophisticated technology and realize its commercial advantages. The western world will no longer have a corner on goods and services to the world as the future trends of online take on a new face through worldwide competition. These trends may result in a worldwide level of competition that will bid for every consumer's interest no matter where the product or service is marketed. It is expected that Americans in part and the west in general will no longer be the only ones drawing in business through lucrative web activity through an exclusive market. Future trends of online marketing suggest that the only thing that will stand in the way of Asia as well as other areas of the world from being added to the competitive layer of global advertising will be language barriers and advertising techniques. However, just as many businesses can hire professionals to help them reach consumers outside their comfort zone, so will many entrepreneurs abroad. Future trends of online marketing are pointing to a rise in global awareness within less sophisticated countries due to television and radio as well as other conventional forms of communication.

Many countries are developing general access online for their mass populations and it will only be a matter of time before just as many users abroad hook up online as do users in North America. As these new entrepreneurs become more educated as to the potential of online communication, they will also tap into the marketing and advertising techniques that



have until this point, been an exclusive knowledge of the western world. The future trends of online marketing seem to encompass these new arrivals to the world scene and their new found technological savvy will translate into big bucks within areas of the world that until now have missed a piece of the pie. They will also hire marketing professionals who can help them overcome the language barriers through production of marketing strategies that will be accepted to western Internet users. The future trends of online marketing will be impacted around the world by these new entrepreneurs.

The influx of new competition from other countries who have as yet to tap into the Internet world could have a staggering effect on the competition level with western companies and individually owned web businesses that are almost cornering their market. China alone has a huge population that is rapidly becoming educated, sophisticated in western influences and could become a powerhouse of competition to westerners who have not up until now had to consider the influential future trends of online marketing that other countries are on the verge of affecting. Even with the obvious barriers to success that many of these countries will face, the solutions can readily be found through assistance in language and current marketing strategies. Companies and individuals that make their living through the Internet would do well to see future trends of Internet on marketing as it turns to the unexplored territories of India, China or Africa. Going with the flow of future trends of Internet marketing may become necessary to compete and succeed in a rapidly growing global economy. A factor that pushes global effects includes increased speed of the Internet with broadband connections that affect multimedia capabilities on the web for almost any user. Also, the huge potential that is growing for new markets and needs among worldwide surfers will affect future trends of Internet marketing. Westerners can easily miss the signs as their attention is diverted to the rapid development of Internet capabilities within their own sphere. It will be important, however, to jump on the band wagon in exploring the ever increasing consumer marketplace of the world beyond.

CONCLUSION

Online marketing is a collaboration of elements that produce a successful web based advertising strategy or campaign. Identifying the tools needed and making the most of them requires an enormous amount of skill, practice and expert thinking minds. The work that is put in ultimately determines the level of success that will be achieved. Online marketing has outsold traditional advertising in recent years and continues to be a high-growth industry.



E-LEARNING AND COMMUNICATION TECHNOLOGIES

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INTRODUCTION

When the World Wide Web was launched in 1991, there was a surge of interest in the possibilities of electronic learning (or e-learning). The use of the Web as an educational medium was hailed as a harbinger of profound changes for communities, organisations and markets. By now, well over a decade later, one might expect that the concept of e-learning would be well defined and clearly differentiated from other forms of learning. Yet there is still a lack of consensus about what e-learning represents. For all the publicity it has received in recent years, e-learning remains something of an enigma, and its boundaries are far from clear.

In today's economic climate, educational institutions have utilized ICTs to meet the demands of an ever changing workforce by catering to a large base of learners which trying to maintain the quality of interactions of the face-to-face learning environment. With the use of ICTs the e-learning environment is born and along with it all the teething pains; how does a course in the face-to-face environment look in an e-Learning environment? What technologies can be used to effectively transition lecturers and students? Can the face-to-face instructional environment be effectively transitioned into an e-Learning environment?

E-LEARNING PROCESSES

Like any learning process, e-learning depends on effective communication of human knowledge, whether this occurs in a face-to-face classroom or across the Internet. Electronic technologies can no more guarantee effective communication than they can transform 'jxiqwop' into a meaningful word. The medium alone does not create the message.

The effectiveness of e-learning also depends on establishing two-way communication between teachers and learners, and among learners themselves. Unfortunately, when e-learning was first popularised, it was widely promoted as a means of minimising costs by delivering pre-packaged content to large populations of learners by means of electronic



networks or CD-ROMs. Such an approach relies on one-way communication from teacher to learner, attenuating the learning experience. It views learners as atomised individuals and fails to take into account the social context in which learning occurs. Above all, it does not engage learners actively in the process of learning.

On the other hand, online technologies can also be used to foster interactive and collaborative engagement. This can be either synchronous or asynchronous: learners and instructors may either have regular, scheduled sessions whether they all 'meet' simultaneously online, or (more commonly) use electronic forums to exchange ideas in their own time.

TECHNOLOGIES USED IN E-LEARNING

E-learning makes use of many technologies - some of which have been developed specifically for it, whilst others conveniently complemented the learning process, for example computer games. Communication technologies are also widely used in e-learning. Starting with the use of email and instant messaging, message forums and social networks, we see a plethora of tools that any internet user would use in any case.

There are also some technologies that work in a complementary manner to other software and enable new features, for example software that adds a whiteboard on your video conferencing tool to allow you or your peers to make changes on other people's work for review, or screen-sharing which allows someone to make a presentation while still making comments and giving input using the microphone.

Elements of Online Courses

When creating an online course, a number of criteria must be met to ensure that students receive the benefits they signed up for. Below is a list of important ones:

Consistent instructor presence: the value of feedback

The role of the instructor is very important in the e-learning process because it's in his hands to encourage, inspire and ensure students don't feel like they have embarked on the learning trip alone, and also because it will ensure that students will be tracked and given proper feedback which is very important throughout the learning process



A streamlined and well-designed LMS

When talking about the success of a LMS, we primarily mean that we want an e-learning site that will be easy to navigate, is well-organized and contains high quality material. Everyday tasks include the distribution of new material and sending, receiving and grading assignments.

Content that is up to par

A side from the ease and design of your LMS, the next most important thing to keep a student satisfied is the material. The role of the curriculum is to set the tone for an organization to design a successful course and offer both teachers and learners a set of guidelines. So while a system must be well designed and efficient, the quality of the content must be on par with the impression you want the LMS to make in its entirety.

Tested delivery methods

Let's start with an example: you are running a course on astrophysics and you have found a very interesting video that you feel enhances the points made within the already existing content. Is adding said video to the material the right move?

All of these key elements have the ability to foster a supportive, effective e-learning environment. When all of these essential components are in place, online learning establishments have the ability to not only provide students with the skill sets and knowledge base that they are looking for, but a virtual education platform that helps to contribute to the future success of (and serves as a model of excellence for) the e-learning industry.

Online tests and quizzes

Despite the fact that e-learning lacks the element of physical presence, tests and quizzes are still an essential part of the educational process. Through online tests and quizzes an instructor is able to track the progress of students and assess the effectiveness of the curriculum, while at the same time students have the ability to track their own progress and improve on their skills accordingly.



Importance of Technology

Technology is becoming a necessity in university classrooms. Using a technology gives to lecturers the diversity of their lectures, displaying more information, and enhancing student learning. In addition, the use of different technologies in the classroom can help lecturers to save time and allow for more attention to be paid to the content of course.

There are numbers of advantages for using technology and learning materials in the university classroom:

- More active learning
- Diversified teaching ways
- Better student attention and realization
- Less time for lecturers
- Visual stimulation

However there are four weaknesses for using technology when teaching courses :

- Equipment failures
- The need for backup plans and guidelines
- Anxiety for lecturers
- Time spent for learning new technologies and new skills

Even though these weakness or disadvantages, many of the problems with using technology and learning materials can be overcome by testing equipment beforehand and learning how to properly use each technology.

MOODLE

MOODLE is a free software package designed to help lecturers and students as a tool to provide in creation of quality teaching. The MOODLE is abbreviated to Modular Object Oriented Dynamic Learning Environment built by Martin Douglas at Curtin University, Australia. MOODLE has a number of advantages in education. MOODLE is easy to install, upgrade and use. MOODLE does not also require modification on Unix, Linux, Windows, Mac OS and any other systems. It is implemented for educational aspects which some other e-learning platform is lack off. MOODLE supports user name authentication. Each user is



given an account and password to access the MOODLE portal site. Once logged in, users have access to the courses they are registered in. Lecturers are registered as users that can edit the course's site, including modifying the activities and marking students.

The contents of course and activities almost are in the middle of the page. The types of resources are: text files, (X)HTML files, links to WebPages, images, multimedia files and links to uploaded files; while the activities commonly used are quiz, chat, forum, choice and assignment. Students participate in the online survey in their free time (any time). Upon using the features that was described earlier, the advantages obtained and disadvantages (problems) are encountered by our experience point of view.

First, the advantages of tutorial registration are:

- There is not need to physically come queuing in front of the coordinator's office,
- The registration takes place at the convenient time,
- Monitoring the number of registrations and avoid double entry.

However, the main disadvantage of tutorial registration is that the excel file contains only the name list without the ID and the engineering program.

Second, the advantages of the communication in MOODLE

- Avoiding regularly repeating and reminding students during lectures,
- Reduction in number of students enquiring for confirmation of activities,
- Immediate respond to students queries and issues through message,
- Motivating students to work outside of class,
- Saving time spent on writing questions which are usually quite lengthy,
- Allowing for more questions and discussion in class.
- Downloading in 'just-on-demand' basis before class,

E-learning and communication technologies

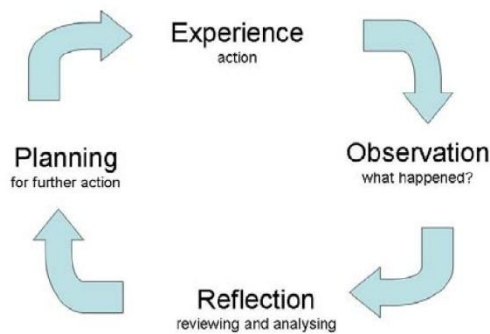
Most forms of e-learning depend on access to electronic communication technologies. In general, the more interactive the approach, the greater the demands on the communication network, although the transmission of text is less demanding than the transmission of visual images and sound. Many of the recent advances in e-learning have been driven by the expansion of fixed-line network capacity and the growth in Internet use.



Uses for e-learning

The first question should always be ‘what are the learning objectives?’ Then, ‘is e-learning appropriate in this context?’ Any combination of e-learning and more traditional methods is often referred to as ‘blended learning’. E-learning allows for additional learning materials to be used that support lectures and seminars and for learning materials to be delivered in different ways. It is not always easy for a traditional lecture or seminar to take account of the differences in the ways the people learn. However, the use of e-learning can enable tutors to provide a range of activities which take account of these differences.

What follows is an overview of some of areas in which electronic technology can support, enhance or deliver learning. The tools that facilitate this can be found in the ‘e-learning tools’ section.



Reflective learning can

- encourage learning from experience
- encourage the development of critical thinking
- enable the recognition of mistakes and weaknesses
- provide proof of progression in thinking

It can take a variety of forms

- Diary
- Structured writing at the end of a task or session
- A journal written whilst working on another piece of work such as some group work, some research or a dissertation.
- As part of an e-portfolio



CONCLUSION

Assessing the use of ICTs in teaching and learning is a way to identify variables that are the most important to the online learning environment and to skills necessary to facilitate e-Learning. While ICTs of various types are used to facilitate e-learning another important part of e-Learning is to make sure the e-Lecturer delivering the materials via the online learning environment has the requisite effective skills to deliver what is required to the students they teach.

While the University's main mode of programme delivery is via the online environment, e-Lecturers are trained before they teach in the environment and are provided support throughout the length of the course; it is always prudent to, as a quality assurance mechanism, to continually identify potential needs for training.

Based on the results of this study it can be concluded that there are numerous opportunities for training in the use of ICTs and further, a need to train e-Lecturers who are already familiar with the technology to a comfortable level.

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GROWTH AND CHALLENGES OF RETAIL MARKET IN INDIA

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ABSTRACT

The retail sector of India has come-forth as one of the most dynamic and second fastest growing industrial economy with several players entering the market. But all of them have not yet tasted success because of the heavy initial investment that are required to break even with other companies and compete with them. India is the country having the most unorganized retail market. India's huge middle class base and its untapped retail industry are the key attraction for global retail giants planning to enter into newer markets. This paper will includes growth of retail sector in India, strategies, strength and opportunities of retail stores, retail format in India, recent trends and opportunities and challenges. It examines consumers' awareness and brand consciousness among people across different socio-economic group in India and witnessing of significant growth in the urban and semi-urban retail markets.

Key Words: Indian Retail Sector, Growth, Challenges, Strategies

INTRODUCTION

In India the vast middle class and its almost untapped retail industry are the key attractive forces for global retail giants wanting to enter into newer markets, which in turn will help the Indian Retail Industry to grow faster. The industry was dominated by the un-organized sector. It was a seller's market, with a limited number of brands, and little choice available to customers. Lack of trained manpower, tax laws and government regulations all discouraged the growth of organized retailing in India during that period. Lack of consumer awareness and restrictions over entry of foreign players into the sector also contributed to the delay in the growth of organized retailing. Modern retailing has entered into the Retail market in India as is observed in the form of bustling shopping centers, multi-storied malls and the huge complexes that offer shopping, entertainment and food all under one roof. A number of factors are driving India's retail market. These include: increase in the young working population, hefty pay-packets, nuclear families in urban areas, increasing working-women



population, increase in disposable income and customer aspiration, increase in expenditure for luxury items, and low share of organized retailing. India's retail boom is manifested in sprawling shopping centers, multiplex- malls and huge complexes that offer shopping, entertainment and food all under one roof. The total concept and idea of shopping has undergone an attention drawing change in terms of format and consumer buying behavior, ushering in a revolution in shopping in India. A large young working population with median age of 24 years, nuclear families in urban areas, along with increasing working women population and emerging opportunities in the services sector are going to be the key factors in the growth of the organized Retail sector in India. The growth pattern in organized retailing and in the consumption made by the Indian population will follow a rising graph helping the newer businessmen to enter the India Retail Industry.

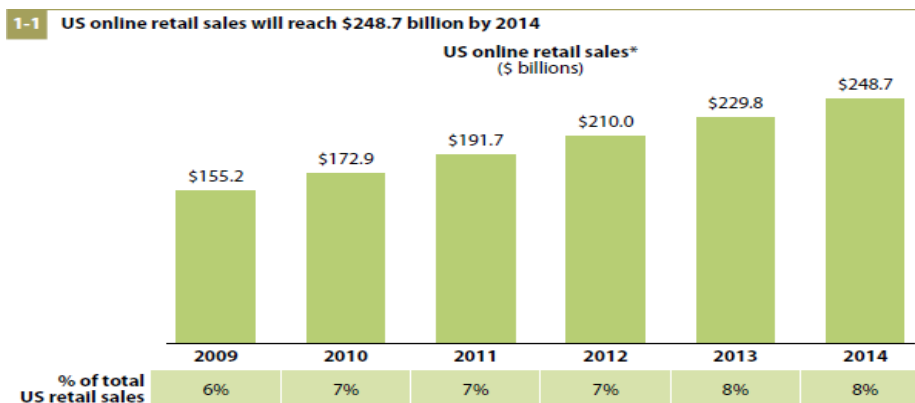
MARKETING STRATEGY IN INDIA

Indian retail market is the largest Industry. It accounts for over ten per cent of the India's GDP and around eight per cent of the employment. Traditionally it is a family's livelihood, with their shop in the front and house at the back, while they run the retail business. More than 99% of the retailers work in less than 500 square feet of shopping space. The Indian retail sector is estimated at around Rs 900,000 crores, of which the organized sector accounts for a mere 2 percent indicating a huge potential market opportunity that is lying in the waiting for the consumer-savvy organized retailer. Purchasing power of Indian urban consumer is growing and branded merchandise in categories like Apparels, Cosmetics, Shoes, Watches, Beverages, Food and even Jewelry, are slowly becoming lifestyle products that are widely accepted by the urban Indian consumer. Indian retailers need to take advantage of this growth and aiming to grow, diversify and introduce new formats has to pay more attention to the brand building process. The emphasis here is on retail as a brand rather than retailers selling brands. The focus should be on branding the retail business itself. In their preparation to face fierce competitive pressure, Indian retailers must come to recognize the value of building their own stores as brands to reinforce their marketing positioning, to communicate quality as well as value for money. Sustainable competitive advantage will be dependent on translating core values combining products, image and reputation into a coherent retail brand strategy.



GROWTH DRIVERS OF RETAIL SECTOR

The Indian retailing sector is at an inflexion point where the growth of organized retailing and growth in the consumption by the Indian population is going to take a higher growth trajectory. The Indian population is witnessing a significant change in its demographics. A large young working population with median age of 24 years, nuclear families in urban areas, along with increasing working women population and emerging opportunities in the services sector are going to be the key growth drivers of the organized retail sector in India. Retailing in India is gradually inching its way towards becoming the next booming industry. The whole concept of shopping has altered in terms of format and consumer buying behavior, ushering in a revolution in shopping in India. Modern retail has entered India as seen in sprawling shopping centers, multistoried malls and huge complexes offer shopping, entertainment and food all under one roof.



DEVELOPMENT OF RETAIL MARKET IN INDIA

Retail and real estate are the two booming sectors of India in the present times. And if industry experts are to be believed, the prospects of both the sectors are mutually dependent on each other. Retail, one of India's largest industries, has presently emerged as one of the most dynamic and fast paced industries of our times with several players entering the market. Accounting for over 10 per cent of the country's GDP and around eight per cent of the employment retailing in India is gradually inching its way towards becoming the next booming industry. As the contemporary retail sector in India is reflected in sprawling shopping centers, multiplex- malls and huge complexes offer shopping, entertainment and food all under one roof, the concept of shopping has altered in terms of format and consumer



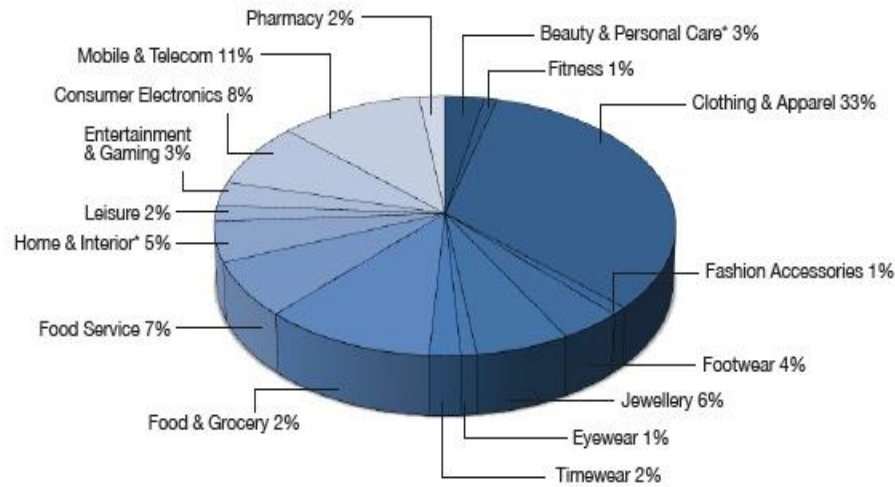
buying behavior, ushering in a revolution in shopping in India. This has also contributed to large-scale investments in the real estate sector with major national and global players investing in developing the infrastructure and construction of the retailing business.

Another credible factor in the prospects of the retail sector in India is the increase in the young working population. In India, hefty pay packets, nuclear families in urban areas, along with increasing working-women population and emerging opportunities in the services sector. These key factors have been the growth drivers of the organized retail sector in India which now boast of retailing almost all the preferences of life - Apparel & Accessories, Appliances, Electronics, cosmetics and Toiletries, Home & Office Products, Travel and Leisure and many more. With this the retail sector in India is witnessing rejuvenation as traditional markets make way for new formats such as departmental stores, hypermarkets, supermarkets and specialty stores. The retailing configuration in India is fast developing as shopping malls are increasingly becoming familiar in large cities. When it comes to development of retail space specially the malls, the Tier II cities are no longer behind in the race. If development plans till 2007 is studied it shows the projection of 220 shopping malls, with 139 malls in metros and the remaining 81 in the Tier II cities.

The government of states like Delhi and National Capital Region (NCR) are very upbeat about permitting the use of land for commercial development thus increasing the availability of land for retail space; thus making NCR render to 50% of the malls in India. India is being seen as a potential goldmine for retail investors from over the world and latest research has rated India as the top destination for retailers for an attractive emerging retail market. India's vast middle class and its almost untapped retail industry are key attractions for global retail giants wanting to enter newer markets. Even though India has well over 5 million retail outlets, the country sorely lacks anything that can resemble a retailing industry in the modern sense of the term. This presents international retailing specialists with a great opportunity. The organized retail sector is expected to grow stronger than GDP growth in the next five years driven by changing lifestyles, rising income and favorable demographic outline.



Share of Different Retail Verticals in Modern Retail



The modern retail is close to 8% of the total retail market. The pie-graph shows how each category of modern retail fares against total modern retail.

RECENT TREND IN RETAIL MARKET

✓ Malls

The largest form of organized retailing today is located mainly in metro cities, in proximity to urban outskirts ranging from 60,000 to 700,000 sq ft and above. They lend an ideal shopping experience with an amalgamation of product, service and entertainment, all under a common roof. Examples include Shoppers Stop, Pyramid, and Pantaloon.

✓ Discount Stores

As the name suggests, discount stores or factory outlets, offer discounts on the MRP through selling in bulk reaching economies of scale or excess stock left over at the season. The product category can range from a variety of perishable/ non-perishable goods.

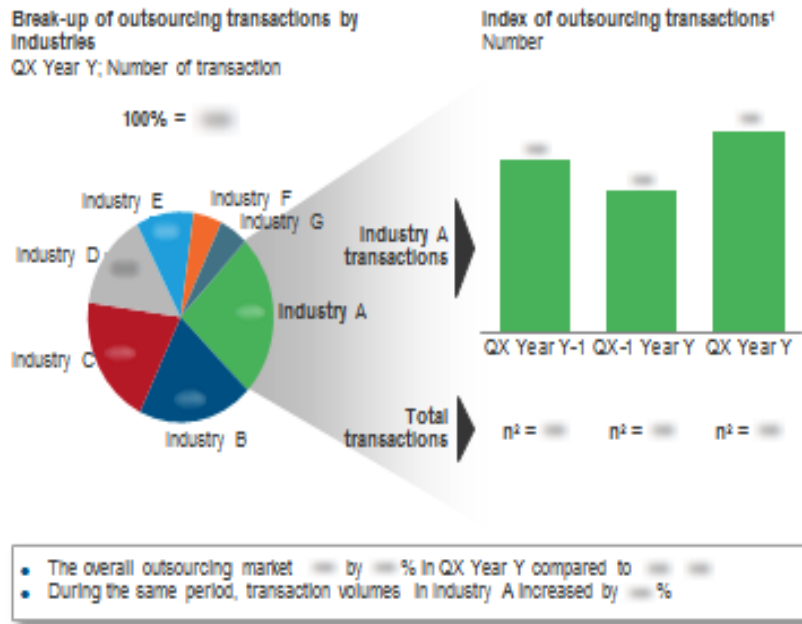
✓ Department Stores

Large stores ranging from 20000-50000 sq. ft, catering to a variety of consumer needs. These are further classified into localized departments such as clothing, toys, home, groceries, etc. departmental Stores are expected to take over the apparel business from exclusive brand showrooms. Among these, the biggest success is K. Raheja's Shoppers Stop, which started in Mumbai and now has more than seven large stores (over 30,000 sq. ft) across India and even has its own in store brand for clothes called Stop.



✓ **Hyper Marts/Supermarkets**

Large self-service outlets, catering to varied shopper needs are termed as Supermarkets. These are located in or near residential high streets. These stores today contribute to 30% of all food & grocery organized retail sales. Super Markets can further be classified in to mini supermarkets typically 1,000 sq ft to 2,000 sq ft and large supermarkets ranging from 500 sq ft to 5,000 sq ft. having a strong focus on food & grocery and personal sales.



RECENT TRENDS OF MARKETING

Retailing in India is witnessing a huge revamping exercise as can be seen in the graph. India is rated the fifth most attractive emerging retail market: a potential goldmine. Multiple drivers leading to a consumption boom:

- Favorable demographics
- Growth in income
- Increasing population of earning women
- Value added goods sales
- Food and Apparel retailing
- Organized retailing in India has been largely an urban Phenomenon with affluent classes and growing number of double-income households.



- More successful in cities in the south and west of India. Reasons range from differences in consumer buying behavior to cost of real estate and taxation laws.
- Rural markets emerging as a huge opportunity for retailers reflected in the share of the rural market across most categories of consumption
- It is a tool that has been used by retailers ranging from Amazon.com to eBay to radically change buying behavior across the globe.

CHALLENGES IN RETAIL MARKETING

Retail today has changed from selling a product or a service to selling a hope, an aspiration and above all an experience that a consumer would like to repeat. Retailing has seen such a transformation over the past decade that its very definition has undergone a sea change. No longer an a manufacturer rely on sales to take place by ensuring mere availability of his product today, retailing is about so much more than mere merchandising. It's about casting customers in a story, reflecting their desires and aspirations, and forging long-lasting relationships. As the Indian consumer evolves they expect more and more at each and every time when they steps into a store. For manufacturers and service providers the emerging opportunities in urban markets seem to lie in capturing and delivering better value to the customers through retail. For instance, in Chennai Cavinkare's Lime Lite, Marico's Kaya Skin Clinic and Apollo Hospital's Apollo pharmacies are examples, to name a few, where manufacturers/service providers combine their own manufactured products and services with those of others to generate value hitherto unknown. The last mile connect seems to be increasingly lively and experiential. Also, manufacturers and service providers face an exploding rural market yet only marginally tapped due to difficulties in rural retailing. Only innovative concepts and models may survive the test of time and investments. The manufacturers and service providers will also increasingly face a host of specialist retailers, who are characterized by use of modern management techniques, backed with seemingly unlimited financial resources. Organized retail appears inevitable. Retailing in India is currently estimated to be a US\$ 200 billion industry, of which organized retailing makes up a paltry 3 percent or US\$ 6.4 billion. By 2010, organized retail is projected to reach US\$ 23 billion. For retail industry in India, things have never looked better and brighter. Challenges to the manufacturers and service providers would abound when market power shifts to organized retail.



CONCLUSION

The retail sector has played a phenomenal role throughout the world in increasing productivity of consumer goods and services. It is also the second largest industry in US in terms of numbers of employees and establishments. There is no denying the fact that most of the developed economies are very much relying on their retail sector as a locomotive of growth. The Indian retail Industry is the largest among all the industries, accounting for over 10 per cent of the country's GDP and around 8 per cent of the employment. The Retail Industry in India has come forth as one of the most dynamic and fast paced industries with several players entering the market. but all of them have not yet tasted success because of the heavy initial investments that are required to break even with other companies and compete with them. The India Retail Industry is gradually inching its way towards becoming the next booming industry.

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IMPORTANCE OF JIT IN DOCUMENTATION WITH REFERENCE TO MANUFACTURING INDUSTRY

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ABSTRACT

Organizational change can mean several different things, such as downsizing, mergers, new product development and so on. Usually, the ambition of the change initiative is to somehow influence organizational behavior and change or replace the current practice within the organization. This is particularly true when it comes to the introduction of management concepts. One such management concept is Just in Time, which has received massive attention in recent years, and has penetrated both private and public organizations. JIT and similar concepts are often presented as being endowed with an innate ability to transform any organization that takes them in.

This study addresses the application of JIT documentation concepts to the continuous production/ process sector with a focus on the Heavy Engineering industry. The basic idea behind the system is eliminating **waste**.

Waste: *is defined as anything that does not add value to the end product*

JIT is to manufacture only what is needed by the customer, when it is needed and in the quantities ordered. The manufacture of goods is done in a way that minimizes the time taken to deliver the finished goods, the amount of labor required, and the floor-space required, and it is done with the highest quality, and usually, at the lowest cost.

The primary objective of JIT is to assist manufacturers who have a desire to improve their company's operations and become more competitive

The goal of this study is the importance of just in time methodology on documentation of quality control department & to reduce unwanted time delay. Properly implemented Just in Time methodology can reduce non value added activity and it helps to avoid time delay for the delivery of products.



REVIEW OF LITERATURE

(Goonatilake, 1984) and (Ebrahimpour and Schonbrger, 1984) have exposed the problems of developing countries on the basis of their studies of manufacturing firms, in developing countries. The problems include underutilization of capacity, low productivity; unreliable and long lead times, shortage of raw materials and parts, inferior quality, lack of technology transfer and management etc.

Some other problems identified by researchers [Ebrahimpour and Schonbrger, 1984, Goonatilake, 1984, Prem Vrat et al., 1993) in context of developing countries (including India) include inferior quality, little workers' motivation, exact quantity on exact time, and unreliable transportation system etc. Since most manufacturers enjoy a certain degree of monopoly status, they are more concerned about maintaining efficiency rather than reducing cost (two main inventory control objectives), which is just reverse the case of developed countries, where maintaining efficiency is automatically achieved due to better infrastructure and practices.

(Ebrahimpour and Schonberger, 1984) have also suggested JIT and TQC (total quality control) to solve such problems of developing countries.

(Singhvi, 1992) has described Eicher experience in implementing JIT. Significant improvements were observed in throughput time reduction, reduction in space, WIP inventory reduction, material handling, and quality levels. Large investments were not found to be essential, but it is impossible to implement JIT without employee involvement, mutual trust, and unrelenting focus on quality. Supplier is found to be an essential part of the business and there is nothing so difficult about Japanese approach, which can not be applied in India.

(Garg et al., 1995) have found 'work culture' a critical element if a company wants to implement JIT. Adopting JIT culture in India is not an impossible task. According to them, dimensions of work culture in JIT include multifunctional workers, long term employment, motivation and trust, top management attitude and commitment, support from union leaders, effective communication, poka yoke inspection method, and incentive scheme. It is felt that JIT could be a great opportunity for India in the context of recent reforms in economy and trade towards opening of economy and globalization.



OBJECTIVES

- To reveal importance of JIT methodology in documentation in an organization.
- To reduce unwanted time delay in existing documentation practices in an organization.
- To suggest JIT documentation practices in other departments.

NEED OF THE STUDY

Just in Time methodology focus on cost reduction by eliminating non-value added activities. Just in Time documentation methodologies are at the initial level even in the large industries. The JIT methodologies are suitable to eliminate the current issues in documentation process. Implementation of JIT can be used to avoid unwanted time delay in documentation of various departments, JIT implementation will also help to the company for cost reduction and on time delivery of products.

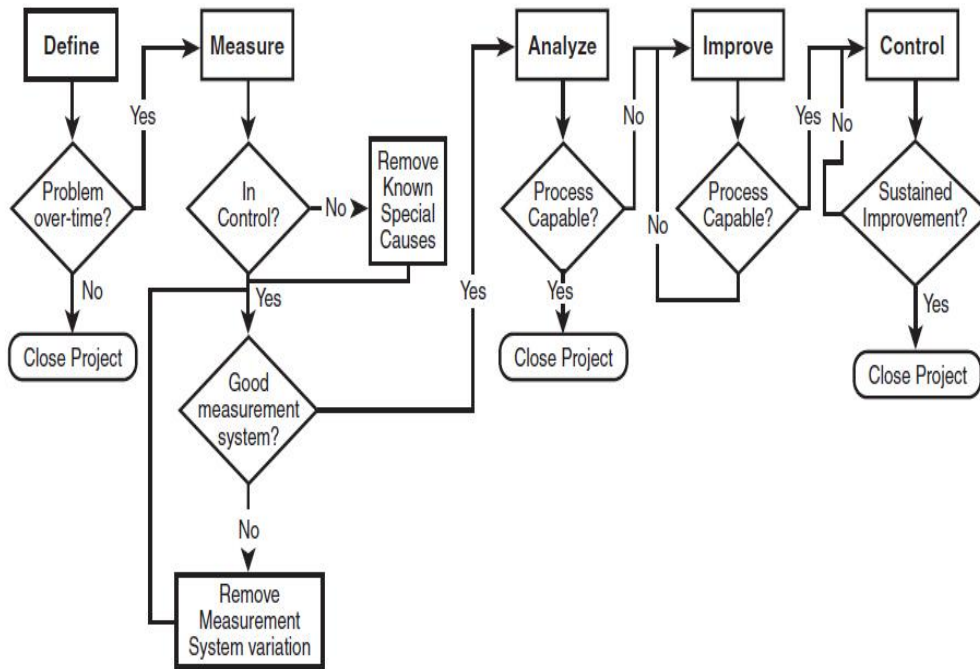
DATA COLLECTION

The type of study conducted for this study is descriptive research. Descriptive research includes direct observations and fact-finding enquiries from different sections of the quality department. The major purpose of descriptive research is description of state of affairs as it exists at present. The study was done in a manufacturing company in coimbatore.

DEVELOPING JIT IMPLEMENTATION MODEL FOR FINAL DOCUMENTATION

To develop a JIT documentation Strategy and implementation plan, following five general steps were to be done.

1. Define
2. Measure
3. Analyze
4. Improve and
5. Control.



Steps in JIT Implementation

Step 1. **DEFINE:** *the problem and scope the work effort of the project team.*

Step 2. **MEASURE:** *the current process or performance.*



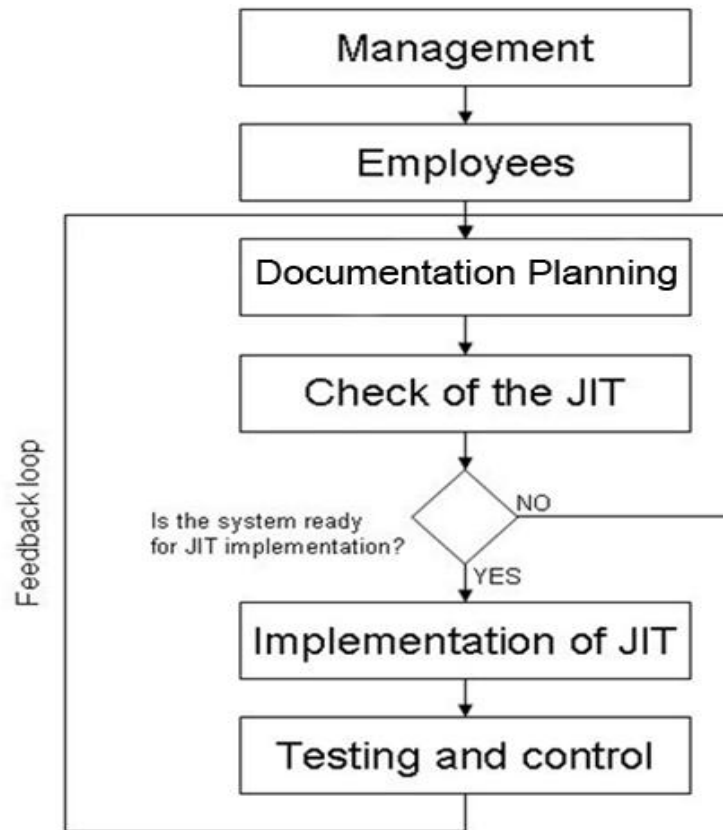
Ex: In a Manufacturing industry Stages of Documentation carried out in each process.

Step 3. **ANALYZE:** *the current performance to isolate the problem.*

Step 4. **IMPROVE:** *the problem by selecting a solution.*

Step 5. **CONTROL:** *the improved process or product performance to ensure the target(s) are met.*

Algorithm for JIT Documentation



GUIDELINES FOR JIT DOCUMENTATION

Just in Time means ‘having the right items of the right quality and quantity in the right place and the right time.’ To implement JIT methodology we have to concentrate some basic things they are

- 1 The reports should be handover to next level as soon as possible.
- 2 The reports should be scanned at each level itself; otherwise it will be getting complicated task.
- 3 Predict the Offering time and inform to the customer as early as possible.
- 4 Maximum no. of Inspections should make possible at each visit of customer.
- 5 Co-ordination of different departments is another important thing, better co-ordination reduce unwanted time delay.

ACTIONS FOR JIT DOCUMENTATION

- 1 Create Folders as per the Systems in the project
- 2 Save the files to the respective Folders/ Systems
- 3 Name the file as per the Code



4 Trace the file using the Code

Comparison of Traceability of Files before and after of JIT Implementation with reference to manufacturing industry.

For a design of three systems for an assembly line, the Average time taken for the documentation of various reports is listed before & after the implementation of JIT in a manufacturing industry is tabulated below based on the study results.

Type of Reports	Before JIT	After JIT	Average Time Saving in %
RIR	10 to 15 Mins	1 Mnt	92
Snag Report	5 to 10 Mins	1 Mnt	86.67
MCR	5 to 10 Mins	1 Mnt	86.67
Inspection Reports	15 to 20 Mins	1 Mnt	94.28
Assembly Reports	15 to 20 Mins	1 Mnt	94.28
Clearance Reports	10 to 15 Mins	1 Mnt	92
Final Memo	5 to 10 Mins	1 Mnt	86.67
Avg Time Taken For one Assembly	82.5 Mins	7 Mnt	91.51

Manpower Saving after of JIT Implementation

Total System = 3
 Total Sub System = 16
 Total Assemblies = 153
 153 Assembly = 1 Set
 100 Set = 1 Project
 Avg Time taken for documentation before JIT Implementation (For 1 Assembly) = 82.5 Mins
 Avg Time taken for documentation after JIT Implementation (For 1 Assembly) = 7 Mins
 Total Man Power Saving (For 1 Assembly) = 82.5-7
 = 75.5 Mins
 = 1.26 Hrs
 Total Man Power Saving (For 153 Assemblies) = 153*1.26
 =
 192.78 Hrs



Total Man Power Saving (1 Set)	=	192.78 Hrs
Total Man Power Saving for the Project	=	192.78 *100
	=	19278 Hrs

Once the solution has resolved the problem, the improvements must be standardized and sustained over time. The standard-operating-procedures may require revision, and a control plan should be put in place to monitor ongoing performance. The project team transitions the standardized improvements and sustaining control.

CONCLUSION

- Better co-ordination between different departments is essential to the success of JIT methodology.
 - Good communication between departments is essential for the success of JIT. The department should handover the reports to the documentation cell as soon as possible
 - The meaning of just in time is ‘everything on the right time’ i.e., the primary objective is to reduce the time delay. Creates a proper time schedule for each process i.e., MSQAA Inspection, Production process, Testing etc. then it can easy to identify the time consuming process.
 - The reports should be scanned and saved to the system at the proper stage itself; otherwise it will be a complicated task.
 - Continuous Improvement is necessary according to the technology.
 - Proper feedback about the system make possible to identify defects on right time.
- It is very important in JIT

We can conclude that, one of the best ways to achieve quality and reduce unwanted time delay is to implement JIT system principles into operations. As it has been seen so far, JIT principles can be applied to all parts of the organization from order taking, purchasing, operations, documentation, distributions to sales, accounting, and design, etc.



INDIAN TEXTILE BUSINESS

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ABSTRACT

A typical human being needs four important wants namely Food, Water, Shelter and Clothing. All these four aspects form the part and parcel of human lifestyle, according to the culture and social factors the above four factors changes. Even though clothing stands last in the line, it plays a major part in the modern world in earlier days they used to exhibit the culture through the dressing. In a diversified country like India we can experience various forms of clothing. The textile Industry in India always holds a top position in the global market. Various Factors like Make in India and Goods and Service Tax have influenced its working much more. Let us analyze the five influencing factors in the Global market aligning with Make in India and Goods and Service Tax paving the way for better growth in the textile business in India.

INTRODUCTION

The Textile industry in India traditionally, after agriculture, is the only industry that has generated huge employment for both skilled and unskilled labor in textiles. The textile industry continues to be the second largest employment generating sector in India. It offers direct employment to over 35 million in the country. Textile Industry consists of Man Made Fibers (which accounts for 62 % of total production), Cotton Sector (second most developed sector) , Handloom Sector (having a market share of 13 %), Woolen Sector (Indian production amounting to 1.8 % of total wool) , The sericulture and silk sector (produces 18 % of world silk and the second Largest producer of silk in the World). Various Cities in our country are renowned in the World for their textile works like Silks of Banaras and Kanchipuram, Ahmedabad is fondly called as the cluster of Weaving, Cotton of South India namely Coimbatore. With all the credits along with Make in India projects initiatives, it is yet to be known whether it would lead to the development of this in a larger phase in the upcoming era, there are so many positive predictions of the industrialist regarding the same yet introduction of Goods and Service Tax and closure of indigenous textile mills especially



in South India namely in the areas of Coimbatore and Tirupur is definitely a check point for multifold growth.

HISTORY OF INDIAN TEXTILE BUSINESS

India being the oldest civilization in the world has a rich history of various activities which forms a major share in the modern world. Let us travel back to the Harappa Civilization where the ruins stated that the Harappa people where good weavers evidencing the textile business in the old civilization. The record of ancient and medieval Indian textiles exists mostly in literature and sculpture. There is archaeological evidence of a cotton textile industry at Mohenjo-Daro in the Indus Valley around 3000 B.C., and a few fragments survive from much later periods.

The Greeks with Alexander the Great wrote of the fine flowered muslins and robes embroidered in gold they had seen in India. A handbook of administration, the *Arthasastra*, tentatively dated to the third century B.C, dealt with methods for distributing materials to spinners and weavers whether the workers were guild members or worked privately at home. Among the textiles mentioned were white bark cloth from Bengal, linen from Banaras, cottons from south India, and several kinds of blankets, the best described as being slippery and soft. After the invasion of British the Indian Textile business lost its charm to some extent and after the two World Wars and Swadhesi Movement.

GLOBALIZATION OF INDIAN TEXTILE BUSINESS

The initiation and development of globalization and Indian textile industry took place simultaneously in the 1990s. The Indian textile industry, until the economic liberalization of Indian economy was predominantly an unorganized industry. The economic liberalization of Indian economy in the early 1990s led to stupendous growth of this BUSINESS. The process of globalization and Indian textile industry development was the effect of rapid acceptance of 'open market' policy by the developing countries, much in the lines of the developed countries of the world.

The initiation and its subsequent development of globalization and Indian textile industry respectively, were effected by the Ministry of Textiles under the Government of India. The aggressive policy that was undertaken for the rapid development of globalization and Indian textile industry were really praiseworthy. The most significant step amongst them was



introduction of 'The National Textile Policy 2000'. This policy envisaged to address the following issues -

- Increased global competition in the post 2005 trade regime under WTO
- Huge import volume of cheap textiles from other Asian neighbors
- High production cost with respect to other Asian competitors
- Use of outdated manufacturing technology
- Poor supply chain management and huge transit cost
- Huge unorganized and decentralized sector

INFLUENCING FACTORS FOR INDIAN TEXTILE BUSINESS IN GLOBAL MARKET

India has a good relationship with most of the nations in terms of trade even in the ancient days there where found that Indian cotton, yarn; silk etc where exported to Egypt and other countries in the world. In this fast moving world every Nation is interlinked via Globalization.

Influencing factors refers to the Positive aspects which helps for the development .Some of the factors which helps in the development of Indian Textile Business in this tough Global Market scenario are as under,

1.Abundant Raw Materials

India is a country which is full of resources, in this country we experience almost all types of climates and have all varieties of forest therefore all the raw materials needed for textile business are more in number in our country India is the largest producer of jute, the second-largest producer of cotton and silk and among the largest producers of wool across the world. It helps India primarily to withstand the competition in the global market.

1. Man Power

India is the second largest populated country in the world with huge man power and being an agricultural country India can produce more cotton, jute and later processes such as yarn etc.



3. Application Of Technology

India as a developing country improves its technology day by day thereby introducing innovative ideas in the textile regime to increase the productivity and quality of the products. In this emerging scenario, wide spread application of technology is required not only to upgrade the quality of products, determine consumer choices, but also to overcome location disadvantages and reduce overhead costs on unsold inventories. The developed countries are already focusing on niche products like protective clothing, clothing for medical use by developing competitiveness in novel 'nanotechnology' coatings, greater adoption of Product Life-cycle Management (PLM) Systems, in order to deliver new 'fast fashion' paradigms, while at the same time remaining steadfastly committed to lower production costs. India is already has seen the above technologies thereby helping to withhold its position in the global market.

4. Investments

Indians are future lookers who save at least a minor part of the income for future likewise investment being one of the fastest growing form of savings many people invests in this sector thereby increasing the market size.

5. Government Initiatives

The government has taken a lot of initiatives for the welfare and development of the weavers and handloom sector. Under revival, reform and restructuring (RRR) package, financial assistance to the tune of Rs 1,019 crore (US\$ 168.49 million) has been approved and the government has already released Rs 741 crore (US\$ 122.52 million).

Some of initiatives taken by the government to further promote the industry are as under:

- As per the 12th Five Year Plan, the Integrated Skill Development Scheme aims to train over 2,675,000 people within the next 5 years (this would cover over 270,000 people during the first two years and the rest during the remaining three years). This scheme would cover all sub-sectors of the textile sector, such as textiles and apparel, handicrafts, handlooms, jute and sericulture.



- The Government of Odisha plans to set up at least two textile parks under the Scheme for Integrated Textile Parks (SITP) of Union government during the 12th Five Year Plan.

MAKE IN INDIA

Make in India is one of the most influential area for textile industry its is a combination all the influential factors mentioned above.

Positive Forces - Make in India

- 100% FDI is allowed under the automatic route in the textile sector; investment is subject to all applicable regulations and laws.
- Technology Upgradation Fund Scheme has infused investment of more than INR 2500 Billion in the industry. Support has been provided for modernisation and upgradation by providing credit at reduced rates and capital subsidies.
- Scheme for Integrated Textile Parks provides world class infrastructure to new textile units. To date, 57 Textile Parks have been sanctioned with an investment of INR 60 Billion. By 2017, 25 more Textile Parks are to be sanctioned.
- Integrated Processing Development Scheme for sanctioning processing parks has been initiated. INR 5 Billion has been earmarked for this scheme.
- Integrated Skill Development Scheme has provided training to 1.5 Million people to cover all sub-sectors of textiles such as Textile and Apparel, Handicrafts, Handlooms, Jute and Sericulture.
- Allocation of INR 500 Million towards the setting up of a trade facilitation centre and a crafts museum to develop and promote handloom products and carry forward the rich tradition of the handlooms of Varanasi.
- Allocation of INR 2000 Million towards the proposed setting up of mega textile clusters at Bareilly, Lucknow, Surat, Kuttch, Bhagalpur and Mysore and one in Tamil Nadu.
- Allocation of INR 300 Million towards the setting up of Hastkala Academy for the preservation, revival and documentation of the handloom/handicraft sector in PPP mode in Delhi.



- Allocation of INR 500 Million towards the setting up of Pashmina Promotion Programme (P-3) and a programme for the development of other crafts of Jammu & Kashmir.

TAX BENEFITS UNDER MAKE IN INDIA

- Specified goods imported for use in the manufacture of textile garments for export are fully exempt from Basic Customs Duty (BCD) and Countervailing Duty (CVD) subject to conditions that the manufacturer produces an entitlement certificate from the Apparel Export Promotion Council or from the Indian Silk Export Promotion Council.
- Basic Customs Duty (BCD) on raw materials for manufacture of spandex yarn viz. polytetramethylene ether glycol and diphenylmethane 4,4 di-isocyanate is being reduced from 5% to NIL.
- The duty-free entitlement for import of trimmings and embellishments used by the readymade textile garment sector for manufacture of garments for exports is being increased from 3% to 5%.
- Non-fusible embroidery motifs or prints are being included in the list of items eligible to be imported duty-free for manufacture of garments for exports.
- The list of specified goods required by handicraft manufacturer-exporters is being expanded by including wire rolls so as to provide customs duty exemption on import by handicrafts manufacturer-exporters.
- Any of the following two deductions can be availed:
 1. Investment allowance (additional depreciation) at the rate of 15% to manufacturing companies that invest more than INR 1 Billion in plant and machinery acquired and installed between 01.04.2013 and 31.03.2015, provided the aggregate amount of investment in new plant and machinery during the said period exceeds INR 1 Billion.
 2. In order to provide a fillip to companies engaged in manufacturing, the said benefit of additional deduction of 15% of the cost of new plant and machinery, exceeding INR 250 Million, acquired and installed during any previous year, until 31.03.2017.



- A weighted tax deduction is given under Section 35 (2AA) of the Income Tax Act.
- A weighted deduction of 200% is granted to assesses for any sums paid to a national laboratory, university or institute of technology, or specified persons with a specific direction that the said sum would be used for scientific research within a program approved by the prescribed authority.

MAJOR INVESTORS UNDER MAKE IN INDIA

Some of the investors under Make in India Project are Rieter (Switzerland), Marks & Spencer (UK), Marubeni (Japan), Trutzschler (Germany), Monti (Italy) , Zara (Spain), Promod (France) , Levi's (USA) , etc.

THREATS

- Competition from low cost countries like Bangladesh, Vietnam, Indonesia and Pakistan is the biggest challenge for the Indian textile industry.
- Goods and Service Tax implementation and its unannounced rate of Tax Rate.
- Closure of textile mills in Coimbatore and other areas affecting the employment of people depending upon indigenous industries.

SUMMARY OF INDIAN TEXTILE INDUSTRY CONTRIBUTION

- India stands first in Global Jute Production.
- India has the second largest manufacturing capacity globally.
- The Indian textile industry accounts for about 24% of the world's spindle capacity and 8% of global rotor capacity.
- India has the highest loom capacity (including hand looms) with 63% of the world's market share.
- India accounts for about 14% of the world's production of textile fibre and yarn and is the largest producer of jute and the second largest producer of silk and cotton.



CONCLUSION

The future outlook for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. The Government of India is also taking initiatives to attract foreign investments in the textile sector. Thus the Indian textile business will surely make Indian textile in the Global Market to be an outstanding one.

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**NEW DIMENSION IN THE ECONOMIC HISTORY OF TRIBAL WOMEN
THROUGH SELF HELP GROUP WITH SPECIAL REFERENCE TO
COIMBATORE DISTRICT**

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ABSTRACT

‘People must come to accept private enterprise not as a necessary evil, but as an affirmative good.’ Eugene Black

From time immemorial tribal communities constitute an important segment of Indian society. In tribal society, women are found to have occupying a prominent place. Tribal women have been recognized as an important source of economic growth. They contribute to the economic well being of the family and their tribal community to reduce poverty. The introduction of Self Help Groups (SHGs) is an evidence of the fact that tribal women have come out of their habitations and have joined in new jobs for their living. This study is carried out with the specific objectives to know the economic background of tribal women, their participation in SHGs, their skills and capacity for their development. Keeping this in mind, the researcher made a study on their small business with reference to women SHGs in Coimbatore District. Research data have been collected from various available sources from SHGs activities. For collecting field data on their activities, I used the technique of participant observation. The information was supplemented through interviews. The secondary data's are published books and reports of SHGs for analysis. The analysis clearly shows that the role of tribal women in SHG, contribute to their family and society is commendable. And concluded with findings and few suggestions to make them to involve more in the near future to enter into the main stream.

Key Words: Tribal women, Economic, Self Help Group, New jobs, Commendable.

INTRODUCTION

India has the second largest tribal population of the world next to African countries. As many as two hundred and fifty tribal groups live in isolated regions of the country. These tribal groups are speaking about 105 dialects and 225 subsidiary languages¹. ‘Tribe’ is a term used to describe certain human social groups. The encyclopedia of America describes the tribes as,



‘Tribe, trib, a group of families who have a feeling of community through occupying a common territory and following similar customs’².

It is believed that India derives its name Bharat from the mighty, Bharata tribe³. The tribals are believed to be the earliest among the inhabitants of the country. These tribes lived in isolation for centuries with culture, tradition and belief called ‘tribals’. They are known in different names such as ‘Vanyajathi’, ‘Vanavasi’ and ‘Adivasi’. The state of Tamilnadu comes under the category of having less than 50 percentage of tribal population. Thirty six tribal communities are living in the state. The district has Tribal population of 28,342 with 14245 male and 14097 female populations.

AREA OF STUDY

Between 10^o 10’ and 11^o30’ North latitude and 76^o 40’ and 77^o 30’ East longitude on the globe lies 7,469 sq.kms of South India, that is Coimbatore District. The Nilgiri District and a part of Erode district are on the Northern boundary of the Coimbatore District. On the southern boundary, is the Kerala state and on the eastern boundary is the Erode district. Coimbatore district is known as the ‘Manchester of South India’. In Coimbatore District both Primitive Tribes and Dispersed Tribes are living. Primitive Tribes viz. Irulas are living in Coimbatore Division. Most of the Irulas are living in Thondamuthur, Perianaickenpalayam, Karamadai and Madukkarai Panchayat Union areas. Similarly the Dispersed Tribes, Malai Malasar, Kadar, Eravalan, Muduvar and Pulaiyar are living in Indira Gandhi wild life sanctuary area in Pollachi Division.

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METHOD OF STUDY

I limited my study to economic development of tribal women in Coimbatore district through Self Help Group activities, because of notable changes among the tribes.

For collecting field data on this activities, I used the technique of participant observation. The information was supplemented through interviews. The secondary data are books and reports of Mahalir Thitam. The analysis of the present paper is with the frame of economic development of tribal women in Coimbatore District through Self Help Group.

OBJECTIVES

- To find out the different tribal groups in the study area.
- To analyze the economic status of tribal women.
- To document the role of tribal women in SHGs
- To know the change in attitude and behavior among the tribal women.
- To discuss and suggest the remedial measures.

Women are the part and parcel of every society. They are in fact the backbone of every family and every society. They are to therefore accept the toils of any transition. Women continue to be at the receiving end for all kind of inequalities including economic disparity. So world at large is becoming conscious of the fact that only when a women develops, can the society develop and progress.

Among the citizens of India, tribals are kept under weaker section because they are economically backward classes. In the tribal pockets, women are playing a key role in drafting the tribal economy. The role of tribal women in economy could be placed at different economic stages beginning from hunting and food gathering to the stage of industrial economy. Development whatever has been the stage of economic development, and whatever be their position, in family economy, it is certain that the tribal women play a major role. The development of tribal society requires full participation by all and opportunities for full



development of the potentialities of women. The tribal women possess greater economic independence and freedom than non-tribal women. Their poor economic condition forces men and women to co-operate and share in joint economic activities. Barring a few economic activities tribal women have been taking part in almost all the activities at all the stages of economic development. They stand as an example for the old English couplet, 'Man's works ends at setting Sun, yet women's work is never done'. In few families tribal women are considered as economic assets. Their contribution to the family economy is no less than that of their male counterparts. They are hard working and play double role in earning bread for the family, and they keep themselves busy in domestic chorus round the clock. In some families it is the women who manage the entire economy of the family.

Tribal women who have been assisting their husbands in most of the economic activities are able to hold a place of importance over their family members. Primarily they use to assist their husbands in traditional occupation, but in the changed situation they themselves have entered into Self Help Group activities.

SELF HELP GROUP AND TRIBAL WOMEN DEVELOPMENT

The process of women empowerment is conceptualized in terms of self-esteem and confidence, ability to protect themselves as women attaining economic independence and providing leadership in both women and community related issues at all levels. To empower women, Government of India had launched several programmes and schemes in the past few years with the ultimate goal to complete development. In such the women self Help Groups are praiseworthy.

This scheme is intended to promote economic development and social empowerment to the poorest women through network of SHGs, formed with active support of NGOs, for tribal women it is a boon. The concept of SHGs, a micro financial institution is a window for the development of tribal women. The major factor, determining the socio-economic status of tribal women is concerned with occupation. For example a better occupational success is related to higher achievements, which in turn leads to better economic order. The tribal women has gained much more in the recent years that what they have been aspiring for ages through self Help Groups.



Tamil Nadu women Development project was extended to Coimbatore District in phase III in September 1999 and has got 22 approved NGOs working for the implementation of the scheme throughout the District.

The main objectives of 'Mahalir Thittam' are social, political and economic empowerment to enhance their status as participants, division makers and beneficiaries in the democratic, economic, social and cultural spheres of life. It helped for the capacity building of poor and disadvantaged tribal women to enable them to cross all social and economic barriers and to come above the poverty line. Each SHG consists of 12 – 20 members. The SHG women are doing regular savings. Animator and representatives and SHG members training have been formulated in three Modules and four Modules respectively to impart capacity building, saving and thrift habit. Double entry accounting system to SHG members is ultimately leading towards economic empowerment.

In Coimbatore District 'Mahalir Thittam' has imparted skill training, skill up gradation training in accordance to the need of the SHGs, in association with DRDA, DIC Backward classes, Agriculture and TAHDCO Department. This training made them as self employed to start their own enterprises for promotion of life style. In order to encourage SHG women, 'Mahalir Thittam' gives incentives like, (a) Free gas connection for newly married SHG women / Daughter & (b) Pregnant women in the SHGs have been identified and an assistance of Rs. 200/-per month.

In the first year (1999-2000) of the introduction of 'Mahalir Thittam' in Coimbatore District, there were 395 SHGs, among them only 23 were the SHGs formed by tribal women. Due to the initiatives taken by both the Government and Non Governmental organizations, in 2014-15 there are 1599 Self Help Group in Coimbatore District among them 129 are the Self Help Group formed by tribal Women. Tribal SHG members activities are fiber making, palm leaf mat making, bamboo basket making, growing vegetable, Bee-keeping, candle making, agarbathi making, match making, stone cutting, potter, leaf plate making, chalk making, Basket making, petty shops, etc.

Above all these activities, few tribal SHG members have taken initiative in peculiar activities like.

- Tribal women SHGs in Anamali, Udumalpet and pollachi area have obtained licenses for stone quarrying⁴.



- In Thondamuthur Panchayat Union tribal SHG women are collecting herbs in hill areas near Sadivayal and sell it to wholesale dealers.
- In Karamadai Panchayat Union, six SHGs of Kopanari village joined together and got loan to run a mini bus. Rs. 7.5 lakhs was sanctioned by Indian Overseas Bank. This minibus is running between Mettupalayam to Bellary in the name of 'Innaitha Kodigal'⁵.
- In Thondamuthur Panchayat Union, Devi Mahalir tribal SHG got the right to collect tollgate collection in Velingiri temple.
- Members of Lilly Pushpam tribal SHG received the Collector trophy as the best performing SHG for Mulberry plantation near Pilloor in Karamadai range.
- Five tribal women SHG members of Udumalpet, in Kurumalai, Kulipatti, Kattupatti and Karumutti settlements are preparing lemon grass oil under the leadership of Mrs. Andichchi in Mavaduppu. This lemon grass oil is famous even in big cities like Bangalore and Chennai, because this oil has medical properties and reportedly cures various ailments including pains in joints⁶.
- An eco-tourism project was scheduled at Karamadai forest range in Coimbatore District. For this project, the Forest Department had purchased ten coracles (called parisal in tamil). It is operated by two tribal committees namely Barali forest Eco Tourism committee and Poochimarathur Eco Tourism committee. Each committee is comprised of ten tribal women. It takes tourist on trips down to Barali Reserved Forest area in Karamadai range. Rs.4 lakhs was sanctioned under the tribal development fund by the state Government⁷.
- In Thondamuthur Panchayat Union, at Siruvani foothills, tribal women SHG member purchased two share autos to take the tourist from foothills to Kovai Kottralam⁸.

CONTRIBUTIONS OF SHG TO TRIBAL WOMEN

- Possess the traits like self confidence, leadership, problem solving and risk taking ability.
- It rendered a helping hand to develop the economic condition of their family.
- It helped them to acquaint themselves with urban way of living.
- It tried to bring the underprivileged tribal class to the main stream.



SUGGESTIONS

- More practical training to be given.
- Computer education to be given to them for assisting their small scale occupation.
- More loans to be provided by the government.
- More publicity and campaign to be undertaken by the government for their products.

CONCLUSION

‘To awaken the people it is the women who must be awakened, Once she is on move, the family moves, the village moves, the nation moves’ –Jawaharlal Nehru.

Coimbatore has an Indigenous Tribal population. They are at different levels of economic development. Government has adopted successfully several innovative policies and programs to develop their diverse economic needs. The introduction of Self Help Group is a boon to tribal community which gives relief for economic problem, social and community development.

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PEAKS AND VALLEYS OF STARTUPS

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ABSTRACT

The emerging startups will play a vital role of developing economy. In addition to encouraging the employment opportunities the startups will ensure its maximum contribution. In order to penetrate in to the market the startups will focus lot of research methodologies and market analysis. For sustaining the market share the startups will face lot of competitive issues for sustaining the market potential. The contributions and shortcomings of past entrepreneurship research can be viewed within the context of six research design specifications: purpose, theoretical perspective, focus, level of analysis, time frame and methodology. The recent trend toward theory driven research that is contextual and process oriented is encouraging. This report is talk about benefits and problems faced by the emerging startups.

Advertising technology is a growing industry, full of exciting changes and new opportunities for startups. there are lot of macro level implications which will focus on the development of emerging startups. So this report clearly reveals that the up's and down's of startups emerging in an economy.

INTRODUCTION

‘Startups can be here today - gone tomorrow.

Startup as an organization formed to search for a repeatable and scalable business model. A startup is a company designed to grow fast. Being newly founded does not in itself make a company a startup. Nor is it necessary for a startup to work on technology, or take venture funding, or have some sort of exit. The only essential thing is growth. Everything else we associate with startups follows from growth. An entrepreneur starting a startup is committing to solve a harder type of problem than ordinary businesses do. Startup's are the most progressive businesses around, they encourage creativity, individualism and are



void of hierarchy. Those who work in startups are some of the most talented people in their respective fields, and they're there because they want to build something of value.

PEAKS OF STARTUPS

Work Life Balance

The first thing most people mention when you bring up startup culture is the work-life balance. Or in some cases, the lack of work-life balance. Startups are filled with people who are passionate about seeing a product or service come to life, and that usually entails long or odd hours. Culture has us believe people at startups ride scooters to their next meeting where they play football to brainstorm, but the reality is that startups require a level of dedication from each individual that you might not see at a corporation or big business. And there's no assurance you will have your job for years to come. Long term success can greatly depend on the hard work of each individual employee hired by the startup.

Salary & Benefits

The long hours and huge workloads don't necessarily mean a huge payout, either. Startups are working to get funding, which means money is often tight, and they can't afford to pay employees the same high salaries they might find at other companies. Benefits are not always as great - you work so much that your hourly pay is often lower, free insurance is sometimes present, but often only in early stage startups, not the mature ones.

However, many startups manage to counterbalance the potentially low pay and lack of benefits with other perks. You might have the option to work from home, the company may enact an open leave policy, and some startups might offer perks like free lunches and meals. However, sometimes the benefits are more abstract, and stem from the satisfaction of a job well done. Although there are a number of downsides to pay and benefits with startups, you might reap the rewards of success if the company does well. Plenty of startups will give employees stock options early on, which will benefit you if the company takes off. There's also potential to be promoted to an executive position if you were with the company from the get go. That means you could work your way into an executive role in just a few years, rather than having to climb the corporate ladder at a business with a conventional hierarchy.



Job Performance

When you take a job with a typical corporation, you are generally given time to train and acclimate to the company's systems. You probably won't feel the immediate pressure of your job for a few months, if at all. Bigger companies have more people to rely on, which means one person's performance won't necessarily make or break the entire company. The same is not true for most startups and you will most likely find yourself thrown right into the fire. Since startups have a small workforce with a huge mission, every single person factors into its success. It's not as easy to check out for a day if you aren't feeling well or were out too late the night before. Not that you should do that at any company, necessarily, but the impact on a larger organization won't be as dramatic as it might be on a startup.

At a large company, it's usually an entire team working together that will influence the company's success. So if one individual is out sick or takes a week off, there are simply more people to pick up the slack. And results are generally gradual at a large company with more to lose, with honored procedures and structures in place; so seeing your dreams come to fruition could take months rather than weeks or days.

Experience & Skills

If the sink or swim attitude at a startup doesn't intimidate you or turn you off to working at a startup, it can be a great way to quickly gain a number of valuable skills for your resume. Since you will wear a number of hats and might need to learn things on the fly, like coding, you will have a well rounded and impressive resume to walk away with if things don't work out. Unlike like large corporations, where individuals have very specific job descriptions that limit their duties, in startups you have to adapt, and move from one set of duties to another as the startup grows and pivots. This often means mastering utterly new job skills, failing at them for a while, and finally doing the new job well.

You will also get to a chance to be a part of projects you might not get to touch at another company. Sometimes these projects are high risk but high reward, and will affect the overall success of the startup. And you will learn these new skills fast, since the entire culture of a startup is focused on fast success and fast growth. To see business ideas develop.

- To contribute to those ideas and chart a course of action.
- Collaboration with creative, enthusiastic professionals.
- Changing demands and a flexible, changing schedule.



- Greater autonomy and authority.
- A quick education in how a business works.
- The potential for large financial rewards.

Ownership

People are drawn to startups because of their lack of bureaucracy. At most big companies, you deal with endless approvals, red tape and PR departments looking over your shoulder. Ultimately, new ideas are held up for months and even years. While every company has some sort of hierarchy, startups have a relatively flat organizational structure, which allows members of the team to accomplish much more in a shorter timeframe.

Visibility

Visibility is a crucial element to building a great working environment — and it helps an organization establish trust with its customers, investors and most importantly, employees. While some of the biggest names in tech make transparency a priority, true startups are able to provide visibility in every area of the business. And it's the lack of bureaucracy and strong culture that make visibility possible.

VALLEYS OF STARTUPS

Working for a startup can involve a lot of risk, that's no secret; According to the Wall Street Journal, three out of every four startups fail.

1. Competition

One of the biggest challenges ad-tech startups face is competition. The competition is fierce, because the barriers to entry are relatively low, and there is plenty of access to [venture capital] money. But if startups can find a niche market and differentiate themselves from their competitors, the reward is great. So much opportunity exists for entrepreneurs because switching costs for most customers are low and many are willing to try new, relatively untested technologies. Find ways to complement existing products and companies so you don't take on unnecessary battles but embrace and extend everywhere and everyone except for your core area.



2. Rapid growth

When an ad-tech startup does find their niche market, demand for its products and services will skyrocket, and the company will need to grow and adapt to fill the needs of its growing client base. Expanding at this fast rate is a challenge for small and sometimes unexpected startups. Predicting when we would move out of startup mode into scale-up mode and what talent and organizational changes that this shift would require was our biggest challenge. Any successful startup will go through this transformation as it becomes a fast growing 'emerging company' and the transition is a profound one. Knowing when it will happen and preparing for what's required are both vital to success.

3. Adding talent

Another side effect of rapid expansion is the need to find and hire new talent to help tackle the startup's growing needs. We have had to focus a lot on becoming a constant recruiter of top talent, and this doesn't happen overnight. This is especially critical in a market where everyone is looking for the same type of technology skills. Recruiting for us quickly went from a luxury to a key priority for people throughout the organization.

4. Fast-paced market

Technology moves at an incredible speed, and keeping up with the changes can be a challenge for startups. Anticipate the next wave of major opportunities the digital advertising sector will create for your clients. Build into that future with new products that deliver truly new value. Although companies should strive for innovation, they can easily become distracted by new projects, markets and technology, losing sight of their niche market that makes them valuable.

CONCLUSION

The reality of startup companies is that they aren't for everyone. But evaluating what you want out of a company and where you see your future, you can determine the right fit for you. Startups may fail, but there's always the chance it will be a success, and even if it isn't, you will undoubtedly walk away with a unique experience to help you find your next job. Every startup is different, but the common themes tend to be weird hours, small teams, ranging benefits, and a group of passionate individuals with one goal. If it feels like the right fit for you, check out openings on Monster to find startup in your area.



RECENT TRENDS IN BANKING

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ABSTRACT

Today most of the banking happens while you are sipping coffee or taking an important call. ATMs are at your doorstep. Banking services are accessible 24x7. There are more plastic cards in your wallet than currency notes. Indian banking industry has witnessed a tremendous developments due to sweeping changes that are taking place in the information technology. Electronic banking has emerged from such an innovative development. The objective of the present paper is to study and analyze the progress made by Indian banking industry in adoption of technology. The study is secondary based and analytical in nature.

The progress in e-banking in Indian banking industry is measured through various parameters such as Computerization of branches, Automated Teller Machines, Transactions through Retail Electronic Payment Methods etc. Statistical and mathematical tools such as simple growth rate, percentages and averages etc are used. The paper also highlights the challenges faced by Indian banks in adoption of technology and recommendations are made to tackle these challenges. The paper concludes that in years to come e-banking will not only be acceptable mode of banking but preferred mode of banking.

INTRODUCTION

Indian economic environment is witnessing path breaking reform measures. The financial sector, of which the banking industry is the largest player, has also been undergoing a metamorphic change. Today the banking industry is stronger and capable of withstanding the pressures of competition. While internationally accepted prudential norms have been adopted, with higher disclosures and transparency, Indian banking industry is gradually moving towards adopting the best practices in accounting, corporate governance and risk management. Interest rates have been deregulated, while the rigour of directed lending is being progressively reduced.

Today, we are having a fairly well developed banking system with different classes of banks – public sector banks, foreign banks, private sector banks – both old and new



generation, regional rural banks and co-operative banks with the Reserve Bank of India as the fountain Head of the system. In the banking field, there has been an unprecedented growth and diversification of banking industry has been so stupendous that it has no parallel in the annals of banking anywhere in the world.

Keywords: Banking, Internet , customer

THE INDIAN BANKING SECTOR

The history of Indian banking can be divided into three main phases.

Phase I (1786- 1969) - Initial phase of banking in India when many small banks were set up

Phase II (1969- 1991) - Nationalization, regularization and growth

Phase III (1991 onwards) - Liberalization and its aftermath

With the reforms in Phase III the Indian banking sector, as it stands today, is mature in supply, product range and reach, with banks having clean, strong and transparent balance sheets. The major growth drivers are increase in retail credit demand, proliferation of ATMs and debit-cards, decreasing NPAs due to Securitization, improved macroeconomic conditions, diversification, interest rate spreads, and regulatory and policy changes (e.g. amendments to the Banking Regulation Act). Certain trends like growing competition, product innovation and branding, focus on strengthening risk management systems, emphasis on technology have emerged in the recent past. In addition, the impact of the Basel II norms is going to be expensive for Indian banks, with the need for additional capital requirement and costly database creation and maintenance processes. Larger banks would have a relative advantage with the incorporation of the norms.

PERSPECTIVES ON INDIAN BANKING

In 2009-10 there was a slowdown in the balance sheet growth of scheduled commercial banks (SCBs) with some slippages in their asset quality and profitability. Bank credit posted a lower growth of 16.6 per cent in 2009-10 on a year-on-year basis but showed signs of recovery from October 2009 with the beginning of economic turnaround. Gross nonperforming assets (NPAs) as a ratio to gross advances for SCBs, as a whole, increased from 2.25 per cent in 2008 - 09 to 2.39 percent in 2009 – 10. Notwithstanding some



knock-on effects of the global financial crisis, Indian banks withstood the shock and remained stable and sound in the post-crisis period. Indian banks now compare favorably with banks in the region on metrics such as growth, profitability and loan delinquency ratios. In general, banks have had a track record of innovation, growth and value creation. However this process of banking development needs to be taken forward to serve the larger need of financial inclusion through expansion of banking services, given their low penetration as compared to other markets.

During 2010-11, banks were able to improve their profitability and asset quality. Stress test showed that banking sector remained reasonably resilient to liquidity and interest rate shocks. Yet, there were emerging concerns about banking sector stability related to disproportionate growth in credit to sectors such as real estate, infrastructure, NBFCs and retail segment, persistent asset-liability mismatches, higher provisioning requirement and reliance on short-term borrowings to fund asset growth

GLOBAL BANKING DEVELOPMENTS

The year 2010-11 was a difficult period for the global banking system, with challenges arising from the global financial system as well as the emerging fiscal and economic growth scenarios across countries. Global banks exhibited some improvements in capital adequacy but were beleaguered by weak credit growth, high leverage and poor asset quality. In contrast, in major emerging economies, credit growth remained at relatively high levels, which was regarded as a cause of concern given the increasing inflationary pressures and capital inflows in these economies. In the advanced economies, credit availability remained particularly constrained for small and medium enterprises and the usage of banking services also stood at a low, signaling financial exclusion of the population in the post-crisis period. On the positive side, both advanced and emerging economies, individually, and multi-laterally, moved forward towards effective systemic risk management involving initiatives for improving the macro-prudential regulatory framework and reforms related to systemically important financial institutions.

POLICY ENVIRONMENT

Banking sector policy during 2010-11 remained consistent with the broader objectives of macroeconomic policy of sustaining economic growth and controlling inflation. The



Reserve Bank introduced important policy measures of deregulation of savings bank deposit rate and introduction of Credit Default Swap (CDS) for corporate bonds. It initiated the policy discussions with regard to providing new bank licenses, designing the road-ahead for the presence of foreign banks and holding company structure for banks. The process of migration to the advanced approaches under the Basel II regulatory framework continued during 2010-11, while also facilitating the movement towards the Basel III framework. Financial Inclusion continued to occupy centre stage in banking sector policy with the rolling out of Board-Approved Financial Inclusion Plans by banks during 2010-11 for a time horizon of next three years.

RECENT TRENDS IN BANKING

1) Electronic Payment Services – E Cheques

Now-a-days we are hearing about e-governance, e-mail, e-commerce, e-tail etc. In the same manner, a new technology is being developed in US for introduction of e-cheque, which will eventually replace the conventional paper cheque. India, as harbinger to the introduction of e-cheque, the Negotiable Instruments Act has already been amended to include; Truncated cheque and E-cheque instruments.

2) Real Time Gross Settlement (RTGS)

Real Time Gross Settlement system, introduced in India since March 2004, is a system through which electronics instructions can be given by banks to transfer funds from their account to the account of another bank. The RTGS system is maintained and operated by the RBI and provides a means of efficient and faster funds transfer among banks facilitating their financial operations. As the name suggests, funds transfer between banks takes place on a 'Real Time' basis. Therefore, money can reach the beneficiary instantaneously and the beneficiary's bank has the responsibility to credit the beneficiary's account within two hours.

3) Electronic Funds Transfer (EFT)

Electronic Funds Transfer (EFT) is a system whereby anyone who wants to make payment to another person/company etc. can approach his bank and make cash payment or give instructions/authorization to transfer funds directly from his own account to the bank



account of the receiver/beneficiary. Complete details such as the receiver's name, bank account number, account type (savings or current account), bank name, city, branch name etc. should be furnished to the bank at the time of requesting for such transfers so that the amount reaches the beneficiaries' account correctly and faster. RBI is the service provider of EFT.

3) Electronic Clearing Service (ECS)

Electronic Clearing Service is a retail payment system that can be used to make bulk payments/receipts of a similar nature especially where each individual payment is of a repetitive nature and of relatively smaller.

4) Automatic Teller Machine (ATM)

Automatic Teller Machine is the most popular device in India, which enables the customers to withdraw their money 24 hours a day 7 days a week. It is a device that allows customer who has an ATM card to perform routine banking transactions without interacting with a human teller. In addition to cash withdrawal, ATMs can be used for payment of utility bills, funds transfer between accounts, deposit of cheques and cash into accounts, balance enquiry etc.

5) Point of Sale Terminal

Point of Sale Terminal is a computer terminal that is linked online to the computerized customer information files in a bank and magnetically encoded plastic transaction card that identifies the customer to the computer. During a transaction, the customer's account is debited and the retailer's account is credited by the computer for the amount of purchase.

6) Tele Banking

Tele Banking facilitates the customer to do entire non-cash related banking on telephone. Under this device Automatic Voice Recorder is used for simpler queries and transactions. For complicated queries and transactions, manned phone terminals are used.

7) Electronic Data Interchange (EDI)

Electronic Data Interchange is the electronic exchange of business documents like purchase order, invoices, shipping notices, receiving advices etc. in a standard, computer processed, universally accepted format between trading partners. EDI can also be used to transmit financial information and payments in electronic form.



IMPLICATIONS

The banks were quickly responded to the changes in the industry; especially the new generation banks. The continuance of the trend has re-defined and re-engineered the banking operations as whole with more customization through leveraging technology. As technology makes banking convenient, customers can access banking services and do banking transactions any time and from any ware. The importance of physical branches is going down.

CHALLENGES FACED BY BANKS

The major challenges faced by banks today are as to how to cope with competitive forces and strengthen their balance sheet. Today, banks are groaning with burden of NPA's. It is rightly felt that these contaminated debts, if not recovered, will eat into the very vitals of the banks. Another major anxiety before the banking industry is the high transaction cost of carrying Non Performing Assets in their books. The resolution of the NPA problem requires greater accountability on the part of the corporate, greater disclosure in the case of defaults, an efficient credit information sharing system and an appropriate legal framework pertaining to the banking system so that court procedures can be streamlined and actual recoveries made within an acceptable time frame. The banking industry cannot afford to sustain itself with such high level of NPA's thus, 'lend, but lent for a purpose and with a purpose ought to be the slogan for salvation.'

The Indian banks are subject to tremendous pressures to perform as otherwise their very survival would be at stake. Information technology (IT) plays an important role in the banking sector as it would not only ensure smooth passage of interrelated transactions over the electric medium but will also facilitate complex financial product innovation and product development. The application of IT and e-banking is becoming the order of the day with the banking system heading towards virtual banking. As an extreme case of e-banking World Wide Banking (WWB) on the pattern of World Wide Web (WWW) can be visualized. That means all banks would be interlinked and individual bank identity, as far as the customer is concerned, does not exist. There is no need to have large number of physical bank branches, extension counters. There is no need of person-to-person physical interaction or dealings.



Customers would be able to do all their banking operations sitting in their offices or homes and operating through internet. This would be the case of banking reaching the customers.

IT IN BANKING

Indian banking industry, today is in the midst of an IT revolution. A combination of regulatory and competitive reasons has led to increasing importance of total banking automation in the Indian Banking Industry. Information Technology has basically been used under two different avenues in Banking. One is Communication and Connectivity and other is Business Process Reengineering. Information technology enables sophisticated product development, better market infrastructure, implementation of reliable techniques for control of risks and helps the financial intermediaries to reach geographically distant and diversified markets. The bank which used the right technology to supply timely information will see productivity increase and thereby gain a competitive edge. To compete in an economy which is opening up, it is imperative for the Indian Banks to observe the latest technology and modify it to suit their environment. Not only banks need greatly enhanced use of technology to the customer friendly, efficient and competitive existing services and business, they also need technology for providing newer products and newer forms of services in an increasingly dynamic and globalize environment. Information technology offers a chance for banks to build new systems that address a wide range of customer needs including many that may not be imaginable today.

FUTURE OUTLOOK

Everyone today is convinced that the technology is going to hold the key to future of banking. The achievements in the banking today would not have make possible without IT revolution. Therefore, the key point is while changing to the current environment the banks has to understand properly the trigger for change and accordingly find out the suitable departure point for the change. Although, the adoption of technology in banks continues at a rapid pace, the concentration is perceptibly more in the metros and urban areas. The benefit of Information Technology is yet to percolate sufficiently to the common man living in his rural hamlet. More and more programs and software in regional languages could be introduced to attract more and more people from the rural segments also. Standards based messaging systems should be increasingly deployed in order to address cross platform



transactions. The surplus manpower generated by the use of IT should be used for marketing new schemes and banks should form a 'brains trust' comprising domain experts and technology specialists.

CONCLUSION

Indian banking system will further grow in size and complexity while acting as an important agent of economic growth and intermingling different segments of the financial sector. It automatically follows that the future of Indian banking depends not only in internal dynamics unleashed by ongoing returns but also on global trends in the financial sectors. Indian Banking Industry has shown considerable resilience during the return period. The second generation returns will play a crucial role in further strengthening the system. The banking today is re-defined and re-engineered with the use of Information Technology and it is sure that the future of banking will offer more sophisticated services to the customers with the continuous product and process innovations. Thus, there is a paradigm shift from the seller's market to buyer's market in the industry and finally it affected at the bankers level to change their approach from 'conventional banking to convenience banking' and 'mass banking to class banking'. The shift has also increased the degree of accessibility of a common man to bank for his variety of needs and requirements. Adoption of stringent prudential norms and higher capital standards, better risk management systems, adoption of internationally accepted accounting practices and increased disclosures and transparency will ensure the Indian Banking industry keeps pace with other developed banking systems.

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720 DEGREE PERFORMANCE APPRAISALS

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ABSTRACT

“Continuous Improvement Requires Constant Measurement” All organizations aim at being effective and achieving their goals, in order to do this it is important to monitor or measure the performance of the employees on a regular basis.

720 Degree Performance Appraisal is considered an all-round appraisal system which gives an employee more than feedback from one person. The performance management process provides a vehicle through which employees and their supervisors collaborate to enhance work results and satisfaction. This process is most effective when both the employee and the supervisor take an active role and work together to accomplish the objectives of the organization. Appraisal takes place annually between the manager and the employee. However there are number of trends that are changing the style and relationship of the appraisal. Listed below are some of the unstructured appraisal technique, traditional technique & modern techniques of performance appraisal.

INTRODUCTION

During First World War the concept of performance appraisal is been used. Water Drill Scott the U.S Army adopted the Man to Man rating system for evaluating military personnel. This concept came for industrial workers during 1920- 1930 under which efficient workers are been identified. In the early fifties, performance appraisal techniques began to be used for technical, professional and managerial personnel. Performance appraisal is also known as merit rating system, performance appraisal system, employee’s evaluation system, progress report system, staff assessment system and fitness report system. Performance appraisal is a management tool which is helpful in motivating and effectively utilizing human resources. Performance appraisal (or evaluation) is the Human Resource Management activity used to determine the extent on which the employees are performing the job effectively. Performance appraisal can be either informal, when supervisors think about how well the employees are



doing or formally, when there is a system set up by the organization to regularly and systematically evaluate employee performance.

CONCEPT OF 720 DEGREE PERFORMANCE APPRAISAL SYSTEMS

720 degree performance appraisal is the latest appraisal method that is been introduced in New Economy companies. Accurately and objectively measuring the performance of an employee is the most difficult part of the Performance appraisal process. Different methods are used for Performance appraisal that includes, Critical incident method, weighted checklist method, paired comparison analysis, graphic rating scales, essay evaluation method, behaviorally anchored rating scales, performance ranking method, Management by Objectives (MBO) method, 360 degree performance appraisal method, Forced ranking and Behavioral observation scales. 720 degree performance appraisal is an integrated method of performance appraisal where, the performance of an employee is evaluated from 360 degree and timely feedback is given and performance is evaluated again based on the targets that are set. Hence, 720 degree performance appraisal can be stated as twice 360 degree performance appraisal once when the appraisal is done, feedback is given and the boss gives tips to achieve the goals. Hence, there is a pre and a post round of feedback. 720 degree appraisal method aims at monitoring, measuring, giving feedback and encouraging the employees to achieve the goal and for the Organization in turn. Effective monitoring also includes giving timely feedback, reviewing the performance according to pre-determined standards and timely recognition of the accomplishments that motivates the employee to perform better each day. It is rightly said that, "Encouraged people achieve the best; dominated people achieve second best; neglected people achieve the least." as recognition and reward at the right time is the best encouragement. This appraisal gives the employee a lot of feedback generally from anywhere from 5 to 8 people, to provide the employee with an all-round assessment of his or her on the job performance. 720 Degree Performance Appraisal 720 degree as the name suggests is 360 degree twice. It provide for two round of feedback (a pre feedback and post feedback) or a feedback approach which is done again after nine to twelve months.



OBJECTIVES OF PERFORMANCE APPRAISAL

Listed below are some of the objectives of performance appraisal

- Review the performance
- Judge the gap between actual and the desired performance
- Strengthen the relationship and communication between superior – subordinates and management – employees
- Diagnose the strengths and weaknesses of the individuals so as to identify the training and development needs of the future
- Provide feedback to the employees regarding their past performance
- Provide clarity of the expectations.

THE NEED AND IMPORTANCE OF 720 DEGREE PERFORMANCE APPRAISALS FOR TODAY'S BUSINESS WORLD

The main need of 720-degree performance appraisal can be summarized as follows

- Provide information about the performance ranks. Assist in taking decisions regarding salary fixation, confirmation, promotion, transfer and demotion.
- Provide timely feedback about the performance, set targets and monitor the performance based on the targets set.
- Helps to check the effectiveness of personnel procedures and practice i.e. validation.
- It is needed to ensure that employees reach organizational standards and objectives.
- To discover the work potential and to understand the areas where training is required to guide the employees to perform their best.
- To understand the expectations of the employees and prevent grievances and in disciplinary activities.
- Provide information to diagnose deficiency in the employee regarding skill, knowledge, determine training, and prescribe the means for employee growth and information for correcting placement.
- Set realistic target, monitor the performance and provide timely feedback to ensure that the performance is enhanced.
- Assessment system should be 360 degrees.



- Assessment should be done twice a year.
- Different assessments should be tabulated and compared for a given period.
- Ensure that the rating instruments are relevant, valid and reliable
- Treat employees with sensitivity and respect
- These critical competencies are essential to assist the executives and managers to be able to lead these organizations toward successful implementation of strategic changes.

The performance of the employees is plays a vital role in the success of an organization and it is very common phenomenon that the human always try to judge everything and everyone around them. The judgment of human being in an organizations is always affected by self-made parameters, that is not necessarily effective always and it may be negatively affect the performance of the others and organization as well. So, it is required to prepare the common and right set of parameters to judge the performance of the employees in an organization. This helps the employees to work enthusiastically. Now a day's the organizations hierarchy is replaced by the latest concepts like teamwork, participative leadership style, reengineering processes etc. this helps the employees to enhance their personnel development, as the organizations always want more productivity with lesser resources. Because of which the layer of management is reduced which leads to increased workloads and the managers has to manage the larger spans of control. To Judge the performance of the employees, the traditional approach is no longer effective, because of heavy workload of managers and supervisors, they unable to give sufficient time for judgment and for fair, accurate performance appraisals. The major problem in the traditional methods of appraisal was that it did not guide the employee after the appraisal that's why the 720° performance appraisal was introduced. Which will helps the managers to measure, analyzed the performance of the employees at the same time it will provide proper feedback and guidance to the employees to achieve their set target effectively.

DIMENSIONS OF 720 DEGREE PERFORMANCE APPRAISAL

All IT organizations aim at achieving higher rate of employee satisfaction and transparency in the working environment. In order to achieve the goals, 720 degree performance appraisal would be a vital tool as it is used to appraise the performance of an employee from different dimensions and helps to overcome the barriers of bias, prejudice and discrimination. The performance is appraised from 5 dimensions and feedback or the



appraisal meeting is conducted twice (pre and post feedback) to ensure the efficient performance of the employee. Including the pre and the post feedback, that plays a vital role, the 720 Degree performance appraisal has 7 phases.

PRE APPRAISAL FEEDBACK

This is the first appraisal step that is done after the feedback is collected from the different dimensions or people with whom the employee would interact. In this step, the performance is evaluated, targets are set and feedback or training is organized to help the employee achieve the target.

SELF APPRAISAL

The employee is given a questionnaire and asked to evaluate his performance and through this method, the employee gets an opportunity to express his thoughts and his valuation of strengths, weakness and judge his performance.

PEERS/COLLEAGUES APPRAISAL

The feedback from the peers or colleagues is important as it helps to understand the ability of the employee to work as a team, co-operate, co-ordinate with others and bring out the best.

CUSTOMER APPRAISAL

In order to survive in the current competitive market, Organizations aim at achieving high customer satisfaction. Customer feedback helps to analyze the customer point of view and help to improve the person and the Organization.

SUB-ORDINATES APPRAISAL

The feedback of the sub-ordinates is essential to analyze the organizing skills of the employee and to understand his abilities like communication and motivating abilities, ability to delegate the work, leadership qualities and way of handling responsibilities.

MANAGERS/SUPERIORS APPRAISAL

In this, the performance, responsibilities and the attitude of the employee is evaluated by the Superiors or Managers.



POST APPRAISAL FEEDBACK

It is this step that makes the 720-degree performance appraisal different and better than the 360-degree performance appraisal method. In this step, the performance is evaluated based on the target set in the Pre appraisal and feedback is given. Timely feedback and guidance helps to make the employee improve his performance.

MERITS OF 720-DEGREE PERFORMANCE APPRAISAL

720 Degree performance appraisal will help in creating a synergetic work environment and will help to bring out the best of each employee. The other benefits of the 720 degree performance appraisal are as follows

- It helps in better analysis and improved feedback from different dimensions
- Helps to develop a better and co-operative team
- Reduces the appraisal barriers like prejudice, bias and discrimination
- Customer feedback is valued. Better customer service and satisfaction can be obtained
- Encourages transparency and feeling of treated justly.

DEMERITS OF 720 DEGREE PERFORMANCE APPRAISAL SYSTEMS

- 85% of the appraisers consider that 720 Degree performance appraisal method is a time consuming process.
- 10% of the appraisers consider that the monetary requirement is higher for 720 Degree performance appraisal method as appraisal or feedback has to be done twice.
- 5% of the appraisers consider that there might be quality problem as all the 7 dimensions of appraisal in 720 Degree performance appraisal method might not be accurate.

RATING SCALES OF PERFORMANCE APPRAISAL FORM

We can use scales as follows for this performance appraisal form.

1. Unsatisfactory Major improvements needed.
2. Needs Improvement Less than Satisfactory could be doing better.



3. Meets Expectations Performing duties as directed with minimal Supervision.
4. Excellent Performing all duties in a costeffective manner with positive, measurable results.
5. Outstanding Performing at a level above and beyond the duties of the current position's requirements.

WHY COMPANIES SHOULD USE 720...?

This system is more development focused than performance alone, and supplements training and development functions in a better way. A powerful developmental tool because when conducted at regular intervals it helps to keep a track of the changes, others' perceptions about the employees. Many organizations are beginning to realize that the skill base of their executives and managers does not match the requirements of a rapidly changing environment. Without these critical competencies, executives and managers are less likely to be able to lead these organizations toward successful implementation of strategic changes.

CONCLUSION

The common answer (appraisers or employee) about the need for appraisal is that the Appraisal process is necessary. The most important purpose or goal of the appraisal is to improve performance in the future (What is The Point of Performance Appraisal). It is an important and necessary process however; it is a process that can make both the sides apprehensive. It is obvious that the appraised is apprehensive however; the appraiser is also generally not very happy because he needs accurate data and if the appraised objects or raises any question the appraiser should have the information ready and hence the appraiser is also defensive. Stating about the need for change and the problems of the traditional appraisal method, "Performance Appraisals Don't Work" states that Appraisers and Appraised are uncomfortable for the process of performance appraisal. Hence it is necessary to have a proper organized and well recorded method for performance appraisal so that the appraiser and the appraised will have a synergetic environment. "In a performance management system, feedback remains integral to successful practice". 720 Degree performance appraisal is a method that gives paramount importance to feedback as there is a pre and post feedback session.



A STUDY ON INDIAN AUTOMOBILE INDUSTRY

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ABSTRACT

Indian automobile industry is an open market for many companies. This study explains the production, sales and export growth of Indian automobile industry and specified the information on opportunities offered by Indian automobile Industry to car companies. The porter's five forces of Indian automobile industry are illustrated, that gives a clear idea on current status of automobile industry of India. Automobile industry is the most competitive industry in the World, in which many changes and sudden circumstances takes place in the market. Information on these changes that happens in automobile market of India is described. This study explained the information on role players of automobile industry. Significant information on car marketing strategies in order to improve sales of cars is included in this study. The future work development is required to this study in order to get information on detailed analysis of automobile industry of India.

KEYWORD Industry, Automobile, Customer

INTRODUCTION

The **Automotive Industry** is a wide range of companies and organizations involved in the design, development, manufacturing, marketing, and selling of motor vehicles. It is one of the world's most important economic sectors by revenue. The automotive industry does not include industries dedicated to the maintenance of automobiles following delivery to the end-user, such as automobile repair shops and motor fuel filling stations. The term *automotive* was created from Greek *autos* (self), and Latin *motivus* (of motion) to represent any form of self-powered vehicle. The automotive industry began in the 1890s with hundreds of manufacturers that pioneered the horseless carriage. For many decades, the United States led the world in total automobile production. In 1929 before the Great Depression, the world had 32,028,500 automobiles in use, and the U.S. automobile industry



produced over 90% of them. At that time the U.S. had one car per 4.87 persons. After World War II, the U.S. produced about 75 percent of world's auto production. In 1980, the U.S. was overtaken by Japan and became world's leader again in 1994. In 2006, Japan narrowly passed the U.S. in production and held this rank until 2009, when China took the top spot with 13.8 million units. With 19.3 million units manufactured in 2012, China almost doubled the U.S. production, with 10.3 million units, while Japan was in third place with 9.9 million units. From 1970 (140 models) over 1998 (260 models) to 2012 (684 models), the number of automobile models in the U.S. has grown exponentially.

SAFETY

Safety is a state that implies to be protected from any risk, danger, damage or cause of injury. In the automotive industry, safety means that users, operators or manufacturers do not face any risk or danger coming from the motor vehicle or its spare parts. Safety for the automobiles themselves implies that there is no risk of damage. Safety in the automotive industry is particularly important and therefore highly regulated. Automobiles and other motor vehicles have to comply with a certain number of norms and regulations, whether local or international, in order to be accepted on the market. The standard ISO 26262, is considered as one of the best practice framework for achieving automotive functional safety.

In case of safety issues, danger, product defect or faulty procedure during the manufacturing of the motor vehicle, the maker can request to return either a batch or the entire production run. This procedure is called product recall. Product recalls happen in every industry and can be production-related or stem from the raw material. Product and operation tests and inspections at different stages of the value chain are made to avoid these product recalls by ensuring end-user security and safety and compliance with the automotive industry requirements. However, the automotive industry is still particularly concerned about product recalls, which cause considerable financial consequences.

ECONOMY

Around the world, there were about 806 million cars and light trucks on the road in 2007, consuming over 980 billion litres (980,000,000 m³) of gasoline and diesel fuel yearly. The automobile is a primary mode of transportation for many developed economies. The Detroit branch of Boston Consulting Group predicts that, by 2014, one-third of world demand will be in the four BRIC markets (Brazil, Russia, India and China). Meanwhile, in the developed



countries, the automotive industry has slowed down. It is also expected that this trend will continue, especially as the younger generations of people (in highly urbanized countries) no longer want to own a car anymore, and prefer other modes of transport. Other potentially powerful automotive markets are Iran and Indonesia. Emerging auto markets already buy more cars than established markets. According to a J.D. Power study, emerging markets accounted for 51 percent of the global light-vehicle sales in 2010. The study, performed in 2010 expected this trend to accelerate. However, more recent reports (2012) confirmed the opposite; namely that the automotive industry was slowing down even in BRIC countries. In the United States, vehicle sales peaked in 2000, at 17.8 million units

EMPLOYMENT OPPORTUNITIES

There are a wide range of jobs available in the automobile industry. With the number of vehicles available on the road today, the need and requirement for people who can fix these machines is fast increasing. Careers like automobile technician, car or bike mechanics are a great option. Becoming a diesel mechanic is also a significant alternative. Diesel mechanics are responsible for repairing and servicing diesel engines. As they are also required to repair engines of trucks and buses, other than cars, they are provided with hefty wages.

If communication with people instead of repairing cars is what interests you, then you have the opportunity of becoming a salesperson or sales manager in an automobile company. Career opportunities in automobile design, paint specialists, job on the assembly line and insurance of vehicles is also available.

EMPLOYMENT TRENDS

The Automotive Mission Plan for the period of 2006-2016 aims to make India emerge as a global automotive hub. The idea is to make India as the destination choice for design and manufacture of automobiles and auto components, with outputs soaring to reach US\$ 145 billion which is basically accounting for more than 10% of the GDP. This would also provide further employment to over 25 million people by 2016 making the automobile the sunrise sector of the economy.



According to the Confederation of Indian Industry, the automobile sector currently employs over 80 lac people. An extension in production in the automobile industry is forecasted, it is likely to rise to Rs. 600000 crore by 2016.

The automobiles sector is compartmentalized in four different sectors which are as follows

- **Two-wheelers** which comprise of mopeds, scooters, motorcycles and electric two-wheelers
- **Passenger Vehicles** which include passenger cars, utility vehicles and multi-purpose vehicles
- **Commercial Vehicles** that are light and medium-heavy vehicles
- **Three Wheelers** that are passenger carriers and goods carriers.

FACTORS DETERMINING THE GROWTH OF THE AUTOMOBILE INDUSTRY

- Fuel economy and demand for greater fuel efficiency is a major factor that affects consumer purchase decision that will bring leading companies across two-wheeler and four-wheeler segment to focus on delivering performance-oriented products.
- Sturdy legal and banking infrastructure
- Increased affordability, heightened demand in the small car segment and the surging income of the Indian population
- India is the third largest investor base in the world
- The Government technology modernization fund is concentrating on establishing India as an auto-manufacturing hub.
- Availability of inexpensive skilled workers
- Industry is perusing to elevate sales by knocking on doors of women, youth, rural and luxury segments
- Market segmentation and product innovation

STATEMENT OF THE PROBLEM

In the present scenario, due to fast changing dynamics of the world the opportunities are myriad and consumer preferences undergo a dramatic change. Due to more consumption of vehicle utilities leads increase in transportation and which creates more demand for production of vehicle to satisfy the customers requirements, hence automobile components



are increasing their range of digital executions on systems for vehicle. As India is a part of this global phenomenon, the present study is an incisive effort towards revealing the customers perception and expectation towards purchase of vehicles .

OBJECTIVES OF THE STUDY

The present study aims at reveals the profile of Indian Automobile Industry.

NEED/ IMPORTANCE OF THE STUDY

It is a well acknowledged fact that the Indian automobile component has been a trend-setter for the Indian economy. It is one of the few industries that emerged successfully from the recent economic slowdown. The industry continues to witness rising competition with influx of investments and entry of a number of foreign players. The consumer today is spoilt for choice, more informed, confident and largely influenced by the internet. Due to technological developments automobile components has its rapid growth on vehicle security system in order to provide security towards vehicles. Automotive players are taking note of this change and experimenting with online marketing with effective use of the digital medium. Many simple steps taken by the manufacturers and the dealers to help in improving the level of satisfaction level of customer. If the product is updated and if it matches the ever changing needs and preference of customers and is in well maintained condition, it will boost buyers satisfaction and confidence. This further aids to create a strong and optimistic perception for customers towards purchase of vehicles.

INDIAN AUTOMOBILE CURRENT SCENARIO

The last few decades have brought with them monumental changes in the way India drives; especially the last one – the decade of the automobile. With the countless automotive blogs and columns mushrooming on social media and web domains alike, we simply could not resist coming up with our own something special for our readers and enthusiasts. We aim at doing things a bit differently and plan to come up with multiple forms of reads, reviews and stories not only on market trends and new product ranges, but also on the journey of automobiles in India from an embryonic industry in the early sixties to potentially becoming the sixth largest Automobile manufacturer in the world by 2015.



Car Industry in India

The love and passion for driving and riding has been in our genetic code for millennia – from chariots and horses, through the first imported petrol driven automobiles, the Indian flagship cars Ambassador and Contessa of Hindustan Motors, the favourite Indian family car Maruti, to Jaguars, Bentleys, Harleys and KTMs, we have come a long way in “mobilution” (mobility evolution). Groundbreaking developments in design and engineering in the past few decades, global brand tie-ups, establishment of multiple manufacturing facilities for Indian and International automobile manufacturers, have brought to our market a huge variety , going in-sync with India’s cultural diversity and our “motogenic” appetites for more. Many major manufacturers have introduced flagship models exclusively for sale in India, because of the never ending, ever increasing demand for choice and exclusivity in the options that the population demands.

The entry of high-end sports and luxury car and motorcycle segments brought with them a wave of “cult”ures and led to the birth of a number of enthusiast clubs in the country. Every year, and increasingly so, plenty of speed and thrill driven events are hosted all across the country encouraging enthusiasts and others alike to join in and go through adrenaline driven experiences, visually feasting on the beauty, magnificence and sheer brutality of some of the most exquisite machines to be seen. Some of the clubs and events being organized by celebrity enthusiasts whose flair and passion for the thrill of driving led them to share it with others like them and the masses who have had a strong potential of converting to the enthusiast class.

Motorsports in India saw a new chapter being writ, with the opening of the Buddh International Circuit in 2011 at greater Noida, NCR. With Formula One being hosted in our country for the first time ever, the excitement of motorsport lovers and the general audience went off the charts, along with India’s position on the world map of automotive events speeding towards the top few. Watching supercars and bikes racing neck to neck, lap after lap on circuits is one thing and what it has led to is completely another. 2014 saw the first ever track event in Indian motorsports history, where thundering down the race track were not Formula One cars or superbikes, but Tata Prima sport trucks, driven by some of the most experienced motorsport drivers from the European truck racing championships. Organized by Tata Motors, this event opened a whole new arena in motorsport and track events in India.



It simply does not stop at that, as enthusiast cultures have paved the way for another realm of the automotive world – the customization and aftermarket revolution is now a well established part of the Indian automobile industry. Performance and visual upgrades are now common amongst all enthusiast segments and others too, where people can simply not have enough of wanting to do more with their cars and motorcycles.

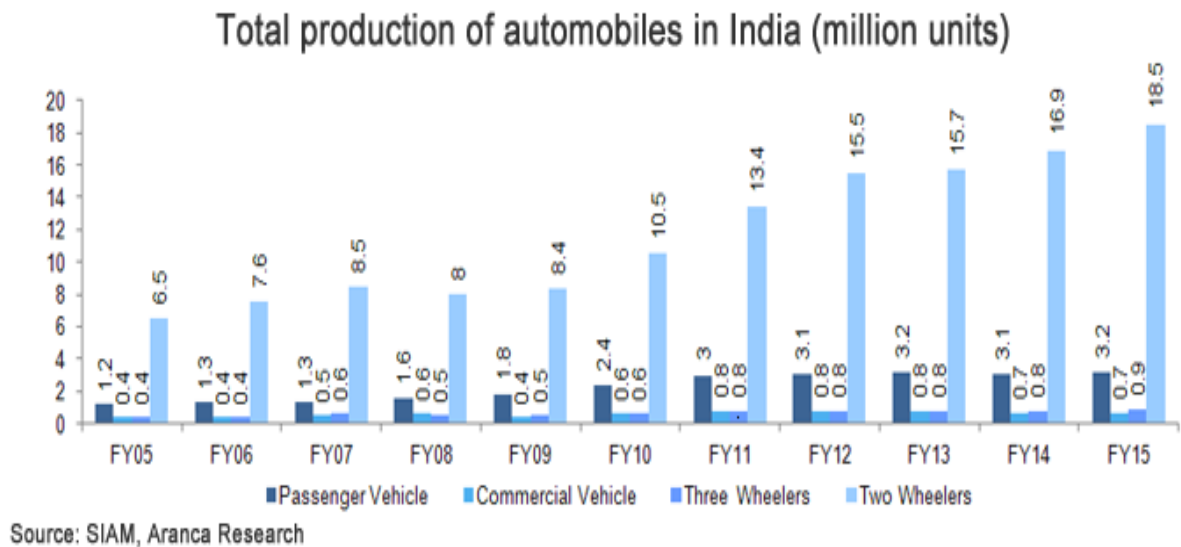
The customization realm has seen some serious expansion in the last decade with many a motorcycle and car custom outfits coming up all over the country, though mostly in the northern region. With a number of popular and successful builds under their belt, and having catered to celebrities, enthusiasts and some very exclusive clientele, these outfits have emerged as trendsetting brand names and major players in the customization league. DC Design, led by the first Indian Customization guru – Dilip Chhabria, with some of their awe inspiring builds and fascinating interior options, have created waves in the global market and set the benchmark for numerous others aspiring to make a mark in this realm.

Events like the India Bike week and others have provided the biggest platforms for these outfits to build, display and market their hand built motorcycles and also compete with each other on grounds of design, build quality, exclusivity and visual appeal. Of the many exciting things to see, these events are a sea of big league motorcycles, some of them totally “icon”ic and a mouth watering variety of cruisers, choppers, bobbers, scramblers, cafe’ racers etc. The events also see huge sales of automotive themed merchandise along with giving a number of visual/performance accessory manufacturers a chance to reach out to the Indian enthusiasts and cater to their ever increasing demand for novelty.

Exposure to the western automotive market and trends through television shows, reviews, automotive events, magazines, and countless other channels, has also led to a developed aesthetic and visual design sense in the masses. A number of automotive design institutes have been conceived and they’ve come up with exclusive training programs for students, offering to provide them with various skills like sketching, rendering, utilising digital platforms and tools to communicate their ideas and concepts to well trained faculties from around the world. Under the guidance of these design gurus, the institutes have provided the students to enter the industry as a wave of fresh and budding designers with ideas that break the notion of even the sky being the limit.



In the backdrop of this current scenario, in the Indian automotive playground, we, over the coming weeks, would be bringing you news and articles not just on generic threads, but stories, write-ups and columns on each of the many realms of the Indian and International automotive world. Be it Design, manufacturing, brands, Customization, or groups, clubs, events and shows, we would bring you exclusive and exciting reads that would surely strike a chord with the enthusiast in you.



FUTURE TRENDS IN THE AUTOMOBILE INDUSTRY

As the auto-shows began in January 2014, the industry promised a blend of technology and automotives. With the recession trend breaking its leashes form the past two years, 2014 is expected to get back on track with the sales of automobiles in the country.

- Almost Self-governing cars are predicted to be on the streets by 2020
- More than half the cars on the streets are going to be powered by diesel by 2020
- Industry watcher Gartner indicates that 30 percent of motorists want parking info. The facility is likely to come up after glitches in the infrastructure catch up.
- High Performance Hybrid cars are likely to gain greater popularity among consumers. The Indian automobile industry has a prominent future in India. Apart from meeting the advancing domestic demands, it is penetrating the international



market too. Favoured with various benefits such as globally competitive auto-ancillary industry; production of steel at lowest cost; inexpensive and high skill manpower; entrenched testing and R & D centres etc., the industry provide immense investment and employment opportunities.

CONCLUSIONS

Automotive companies will need to stay focused on evolving consumer attitudes. As with the web, the issues are dynamic and it is still too early to determine their ultimate impact on the automotive industry. Manufacturer/dealer collaboration in the form of effective retail integration and integrated lead management will become more important than ever to satisfy increasingly sophisticated and demanding consumers and to retain their loyalty. Companies will need to establish and maintain a true two-way dialogue with individual consumers through personalised communication to enhance customer satisfaction.

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A STUDY ON USERS PERCEPTION OF CCTV IN RETAIL SHOPS

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ABSTRACT

Closed circuit television (CCTV) is one of the best modes of security cameras used for surveillance and security purpose. As the name implies, Closed Circuit Television is a system in which the circuit is closed and all the elements are directly connected. This is unlike broadcast television where any receiver which is correctly tuned, can pick up the signal from the airwaves. At present they have become a common feature in many shopping premises, corporate buildings, malls and other important places including temples. In most of the retail outlets, the use of security surveillance cameras would be an efficient way to deter the criminals from causing harm to their property. The CCTV system serves as a most effective medium to detect the earlier signs of danger and also it provides with the visual proof when thefts are detected in a shop. This study has taken into consideration, the busy retail shops in the city that have been using CCTV surveillance cameras, to test the level of satisfaction and the reduction in problems.

INTRODUCTION

Human always feels possessive of his own belongings; thus it is their nature to protect their own. Urban population has specifically become very conscious of the important aspect of security systems. They find many ways to protect their hard earned possession. Most of the urban cities and metros are witnessing increased rate of crimes and that requires for the installation of safe and secure systems to protect their valuables. Security cameras play a great role in safeguarding one's possessions and valuables.

Closed Circuit Television is a system in which the circuit is closed and all the elements are directly connected. This is unlike broadcast television where any receiver which is correctly tuned, can pick up the signal from the airwaves. CCTV cameras are in use since 1942. It was invented by Walter Bruch. The first CCTV system was installed by Siemens AG



at Germany for observing the launch of V-2 rockets. Every retail shop would have a specific motive to install CCTV and it is installed according to the size of the shop and convenience of the shop owner or manager. Government has made a rule that CCTV is compulsory in big retail outlets like jewellery shops, boutique's etc. The presence of CCTV in a shop would ensure the public that they are safe and it would also increase the standard of the shop. The need for CCTV installation in retail is expected to gallop in the coming years.

STATEMENT OF PROBLEM

Today CCTV cameras are being used in almost all retail shops of the city, but the actual importance of the surveillance system is still a mystery to many of the shop owners i.e., they lack in awareness. The rate of reduction in mishaps after CCTV installation is also an essential factor which every user must be aware of. Hence the aim of this study is to analyse these factors and to provide a possible solution.

OBJECTIVES OF THE STUDY

The study has been made with the following objectives

- To know the level of awareness among the users-retail shop owners about CCTV.
- To perceive the level of satisfaction among the users.
- To study the rate of reduction in the problems after CCTV installation.

RESEARCH METHODOLOGY

- **Sources of data**
 - The study has made use of both primary and secondary data.
- **Primary data**
 - The data are primarily collected through the distribution of questionnaire.
- **Secondary data**
 - The data are also collected through secondary sources like websites, newspapers, magazines and online journals.
- **Sample size**
 - The sample consists of 125 respondents from different kinds of retail shops



➤ **Sampling techniques**

The data collection was done by simple random sampling. A survey was conducted consisting of a sample of randomly selected retail shops which have installed CCTV cameras.

Statistical tool used

The following statistical techniques have been used for analysis of data.

- Percentage analysis
- Cross-tab and Chi square analysis
- Ranking analysis
- ANOVA test

REVIEW OF LITERATURE

- 1) **Emma Short and J. Ditto (1998) “Seen and now Heard Talking to the Targets of Open Street CCTV”** The presence of closed circuit television cameras (CCTV) in town and city centres, mostly with Home Office or Scottish Office support, has grown enormously in the past few years. Analysis of their effectiveness in preventing crime is infrequent, and then usually relies only on comparing police recorded or otherwise reported criminal victimization rates before and after camera installation. To test the efficacy of the approach, an area whose criminal statistical profile had previously been studied intensely, a small town near Glasgow which has one of the first CCTV schemes to be installed in Scotland—was revisited. Thirty offenders (most were then on probation or doing community service) were interviewed and their attitudes to the cameras and to reoffending recorded. Few, if any, clear patterns emerged. Indeed, what is more remarkable is the rich and broad diversity of views, which, in turn, serve to defy any obvious or common-sense categorization of offender reaction to CCTV surveillance.
- 2) **Lorraine Ann Mazerolle(2002) “Social behaviour in public space an analysis of behavioural adaptations to CCTV”** in his paper explores how peoples’ behavioural patterns change over time, and assess the short-term influence of CCTV on behaviour in public space. Using videotape footage of four CCTV sites, they documented document pro-social, anti-social, traffic and guardianship behaviours over a four-month study period. Their study of CCTV in Cincinnati found that surveillance



cameras create somewhat of an initial deterrent effect in the month, perhaps two months, following implementation. They conclude that erecting signs to notify people about the cameras could possibly increase the level of deterrence of CCTV. They also suggest that shifting CCTV cameras around on a frequent basis would increase the number of hotspots under surveillance.

- 3) **Wade Desman (2003) “CCTV Literature Review and Bibliography”** in his study describes a number of aspects of CCTV at the level of operations that are problematic in terms of the broader aims and constraints placed on the criminal justice system. Furthermore, there is little evidence to support/contradict claims of increased conviction rates. Finally, the research on the impact of CCTV in the public sphere concludes that CCTV generally increases feelings of safety and that it also reduces fear of victimization. While the public is generally supportive of CCTV are not concerned about the impact of CCTV on privacy, some evidence suggests there are concerns about profiling.
- 4) **Heidi Mork Lomell 2 and Carsten Wieck (2004) “Is Privacy the (Only) Issue?”** in their paper examines data from an observation study of four CCTV control rooms in Norway and Denmark. The paper analysed whether issues other than privacy might be at stake when public spaces are placed under video surveillance. If CCTV encourages broad participation and interaction in public spaces, then CCTV may enhance social cohesion. But the discriminatory practices they observed may have the opposite effect. Their analysis indicates that structural properties of CCTV operations may affect the extent of discriminatory practices that occur. They suggest that these properties may therefore present ‘handles’ by which CCTV practices can be regulated to avoid negative effects on social cohesion.
- 5) **Aand Anna Wilson (2004) “The predictability of natural behavior viewed through CCTV cameras Holmes”** in their study aimed to ascertain whether observers can successfully predict the onset of criminal behavior when viewing real recording of CCTV, where in the sequence of events, it is possible to make this prediction, and whether there may be a difference between naïve and professional observers they suggest that observers can distinguish crime sequences from matches. The performance of naïve observers is comparable to that of experts. However, because the experts were predominantly male, the absence of an effect of experience may have been due to gender differences. The study concludes that though there is



predominance of males, there are possibilities that females perform better than male at such tasks.

RESULTS AND DISCUSSION

➤ Percentage analysis

Table 1- Level of satisfaction among the users and rate of reduction in the problems after CCTV installation.

Factors	Classification	No. of respondents	Percentage
In charge for the inspection of CCTV in the shop	Specific person	63	50.4
Features of CCTV	Remote access	81	21.5
Reason for installation of CCTV	Security reasons	68	54.4
Maintenance of CCTV	From proprietors own fund	55	44
Advantages of CCTV to the customers	A feeling of security	73	58.4
Complaints from customers regarding CCTV	No	123	98.4
Number of Defaults detected during normal days in the shop	1-3	55	44
Reduction of defaults after installation of CCTV	Moderate	44	35.2
Acceptance of fraud by customers	Yes	91	72.8

Source-Primary data

It is found that majority (50.4%) of the respondents have specific persons for the inspection of CCTV. 21.5 % of the respondents have remote access feature in their CCTV and 54.4% of the respondents have installed CCTV for security reasons. It is found that most (44 %) of the respondents meet the overheads involved in the maintenance the CCTV from the proprietors' own fund.56.8% of the respondents' staff are satisfied on the installation of the CCTV.



52% of the respondents are satisfied with the cost incurred on the installation on CCTV. Most (45.6 %) of the respondents are satisfied with the cost incurred on electricity charges after installation of CCTV. 51.2% of the respondents are satisfied with the maintenance of CCTV and 58.4% of the respondents feel CCTV gives a feeling of security to the customers. It is found that majority (98.4%) of the respondents did not receive any complaints from the customers regarding CCTV.

It is found that most (44 %) of the respondents say 1-3 default incidents are detected during normal working days.35.2 % of the respondents feel there is a moderate change in the reduction of defaults after the installation of CCTV and 72.8% of the respondents say that customers accept fraud if it is detected.

➤ **Cross Tab and Chi-square Analysis**

Hypothesis H₀ = “There is no significant relationship between the number of employees and reason for installation”

Table-2 Educational qualification and reason for installation

Education		Reason for installation				Total
		Employee surveillance	Government initiative	Security reasons	Own initiative	
No formal education	Count	0	0	5	1	6
	%	0%	0%	83.30%	16.70%	100%
Higher secondary	Count	0	1	22	7	30
	%	0%	3.30%	73.30%	23.30%	100%
Graduate	Count	7	11	42	26	86
	%	8.10%	12.80%	48.80%	30.20%	100%
Others	Count	0	0	2	1	3
	%	0%	0%	66.70%	33.30%	100%
Total	Count	7	12	71	35	125
	%	5.60%	9.60%	56.80%	28%	100%



Table-2 (a) Chi-Square Test				
	Value	Df	P-Value	S/NS
Pearson Chi-Square	10.069 ^a	9	.345	NS*
Likelihood Ratio	13.208	9	.153	
Linear-by-Linear Association	.654	1	.419	
N of Valid Cases	125			

*NS- Not Significant

(Source computed)

The above table depicts the significant influence of educational qualification on reason for installation. It is found that the calculated value (10.069) is less than the table value (16.919). There is no significant relationship between the educational qualification and reason for installation. **Hence, the Null Hypothesis is accepted at 5% level of significance.**

Hypothesis H₀ = “There is no significant relationship between the number of employees and reason for installation”

Table-3 Number of employees and reason for installation

No. of Employees		Reason for Installation				Total
		Employee Surveillance	Government Initiative	Security Reasons	Own Initiative	
1-3 members	Count	2	2	22	3	29
	%	6.90%	6.90%	75.90%	10.30%	100%
4-6 members	Count	1	1	12	8	22
	%	4.50%	4.50%	54.50%	36.40%	100%
7-10 members	Count	0	2	14	13	29
	%	0%	6.90%	48.30%	44.80%	100%
Above 10 members	Count	4	7	23	11	45
	%	8.90%	15.60%	51.10%	24.40%	100%
Total	Count	7	12	71	35	125
	%	5.60%	9.60%	56.80%	28%	100%



	Value	Df	P-Value	NS/S
Pearson Chi-Square	14.730 ^a	9	.099	NS*
Likelihood Ratio	16.537	9	.056	
Linear-by-Linear Association	.002	1	.962	
N of Valid Cases	125			
*NS- Not Significant (Source computed)				

The above table states the significant influence of number of employees on reason for installation. It is found that the calculated value (14.730) is less than the table value (16.919). There is no significant relationship between number of employees and reason for installation. **Hence, the Null Hypothesis is accepted at 5% level of significance.**

ANOVA Analysis

Hypothesis H_0 = “There is no significant difference between educational qualification and level of satisfaction”

Table-4 Educational qualification and level of satisfaction

Educational Qualification	N	Mean	SD	F-Value	P-Value
No Formal Education	6	19.83	1.83	0.250	0.861
Higher Secondary	30	19.27	1.74		
Graduate	86	19.41	1.98		
Others	3	20.00	1.00		
Total	125	19.41	1.89		

(Source computed)

The above table depicts that the calculated P-value (0.861) is more than 5% level of significance. There is no significant difference between educational qualification and level of satisfaction towards CCTV. **Hence, the Null Hypothesis is accepted.**



Hypothesis H₀ = “There is no significant difference between educational qualification and level of satisfaction”

Table-5 Number of employees and level of satisfaction

No. of Employees	N	Mean	SD	F-Value	P-Value
1-3 members	29	18.66	1.99	2.533	0.060
4-6 members	22	20.05	1.91		
7-10 members	29	19.48	1.81		
Above 10 members	45	19.53	1.78		
Total	125	19.41	1.89		

(Source computed)

The above table depicts that the calculated P-value (0.060) is more than 5% level of significance. There is no significant difference between number of employees and level of satisfaction towards CCTV. **Hence, the Null Hypothesis is accepted.**

➤ **RANK analysis**

Table-6 Criteria for choosing CCTV by the respondents

Rank the criteria	Avg. rank	Final rank
Cost	4.97	5
Look	5.08	6
specific type	5.10	7
Image quality	3.14	2
Level of light	2.78	1
Brand	4.67	4
After sale services	5.60	8
Storage capacity of recordings	4.61	3

It is concluded that majority of the respondents give importance to level of light while choosing CCTV



Table-7 Advantages of CCTV

Advantages	Avg. Rank	Final rank
Prevents crime	2.54	1
Protects employees	2.91	3
Protects customers	3.22	4
Increases reputation of the shop	3.46	5
As video evidence against defaulter (in case of thefts)	2.86	2

It is found that majority of the respondents feel CCTV is more advantageous in prevention of crime.

SUGGESTIONS

- The respondents feel that CCTV should be made compulsory by the government in every medium and large sized retail outlets throughout the country so that it increases market standard.
- Much awareness is required on the part of the public about CCTV cameras and its purposes which would prompt them to behave well in public and that would result in reducing the crime rates.
- Most of the retail shop owners opine that the CCTV cameras being manufactured today can come with enhanced damage resistance feature, protection from harmful rays and notorious technological improvement, for moderate cost, as it helps in protecting the CCTV cameras from defaulters.
- As much awareness is lacking on the part of users, they should be cautious about their objective of CCTV installation before buying one. Only this can have a notable impact on the reduction of crime rate.

CONCLUSION

Today, crime rates are increasing at an alarming speed, importantly in most of the retail outlets located in the busy areas of the city. The best way in which the shop owners can protect themselves and their customers from such harms is to install surveillance systems



in their shops. Such installation is more than just a technical solution as it requires human intervention to work to maximum efficiency.

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CONSUMER AWARENESS TOWARDS SUPER MARKET

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ABSTRACT

This article presents a brief review of the literature on the effect of supermarkets on productivity, employment, the survival of small retailers, prices, and competition in retailing. The following stylized facts emerge (1) the retail sector has undergone a major concentration around the world, (2) the entry of supermarkets tends to expel small competing groceries, and encourage the entry or conversion of others; (3) supermarkets are a source of productivity gains in the sector, (4) they generates a net increase in employment, and (5) has the effect of reducing the level of prices in markets where entry occurs. Some qualifications to these general conclusions are discussed.

INTRODUCTION

Every week 32 million of us shop in supermarkets. They're a part of our landscape and a part of our weekly schedules. They have brought affordable food to all, increased the range of foods that we eat, and considerably reduced the time we spend shopping and preparing food. It has become fashionable to bash the supermarkets, and often this is little more than snobbery. There are many reasons to avoid supermarkets altogether, and shop at local shops and markets instead, but for many of us there is little choice. Besides, not all supermarkets are created equal. I wanted to do a supermarket comparison, like we've done for oil companies and banks, some time ago. It's taken me a while to get the information together, but I've been collecting reports and articles for the last couple of years and I'm confident we've got enough information.

OBJECTIVES

- Eco-efficient techniques to reduce de electric energy consumption on existing supermarkets, such as more efficient lighting systems
- An innovative tri-generation system based on biomass able to provide the total energy demand of the supermarket.



LIMITATIONS

- The study about only super market.

PRODUCT/SERVICE LIFE CYCLE

In a business context everything is going through different level, stages of performance. It is similar to the any life development. From the cell of life to the maturity and death, the products are repeating same way from idea to functioning and ultimately death. Particularly in our case the service as well as product must be planned and introduce to employees, customers and eventually be accepted by them. It is crucial for the managers to adjust and control its performance while it goes through different stages. The effect respectively will be also different on different stages. Therefore, considering the life cycle of SSC systems is important when investigating the effects on company competitiveness.

In the manufactured goods life cycle, products tend to go throughout five stages

- Product/service development;
- Market introduction;
- Growth stage;
- Mature stage;
- Stage of decline.

REVIEW OF LITERATURE

As companies/supermarkets have race to introduced technology that enables the customers to get service on their own (Bitner, M. Amy, L. Ostrom and Matthew, L. 2002). Growing number of customers interacted with the technology to create service outcomes instead with a service firm employee (Matthew, L. Amy, L. Ostrom, Robert, I. And Bitner, M. July 2000). The overall affect model is based on the consumer's feelings toward the use of technology (Pratibha A. and Dabholkar 1996). The Supermarkets which introduce self-service checkout systems wish to gain rapid acceptance and usage of these technologies by potential consumers. (Jungki, L. and Allaway, A. 2002)

According to Merriam-Webster's Dictionary (2008), Innovation is "a new idea, method or device, or the introduction of something new."Drejer (2002) argues that innovation is more than just invention, that idea cannot be innovative as a pure, it must be put in practice and be commercialized; otherwise it is too earlier to speak of innovation. Blackmon (1996)



provide us with the best summary for a context of this research "â€| technological change is used to describe changes in knowledge that increase the volume of output or allow a qualitatively superior output from a given amount of resources â€| and thus in driving organizational evolution â€|" The sales profit is a simple conceptual framework chain to linking with the employee satisfaction as well as customer satisfaction and financial performance. This sales profit chain is the relationships between employee and customer satisfaction (Gary, W. and Loveman, 1998). The benefit of the customer retention and satisfaction has been characterized by using the repurchase intention or a factor score of quite a few measures repurchase goal, and price tolerance.

CONCLUSION

The next generation of talent management practices and solutions will largely be driven by economic evolution, demographic changes, and technology advancements. These factors are dramatically influencing the way people work, the way companies are organized, and the way talent is managed. This paper explores how current business and talent management processes and technology must evolve in order to effectively deliver business value in the next 5 to 10 years. This paper is supported by interviews with thought leaders in talent management, including practitioners, academics, and technologists from around the globe.

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THE STUDY ON ROLE OF INTERNET IN E-COMMERCE

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ABSTRACT

Electronic Commerce is process of doing business through computer networks. A person sitting on his chair in front of a computer can access all the facilities of the Internet to buy or sell the products. Unlike traditional commerce that is carried out physically with effort of a person to go & get products, ecommerce has made it easier for human to reduce physical work and to save time. Commerce which was started in early 1990's has taken a great leap in the world of computers, but the fact that has hindered the growth of e-commerce is security. Security is the challenge facing e-commerce today & there is still a lot of advancement made in the field of security. The main advantage of e-commerce over traditional commerce is the user can browse online shops, compare prices and order merchandise sitting at home on their PC. For increasing the use of e-commerce in developing countries the B2B e-commerce is implemented for improving access to global markets for firms in developing countries. For a developing country advancement in the field of e-commerce is essential. The research strategy shows the importance of the e-commerce in developing countries for business applications.

INTRODUCTION

Electronic Commerce is the process of buying and selling products and services online. It is also commonly known as E-Commerce. Even though the internet has come a long way the concept of electronic commerce is still new to many people. This concept is still emerging and people are getting used to using e-commerce. E-Commerce solutions are mainly derived for business purposes which help in streamlining the process and making it more efficient. It enables and effective media of communication. Nowadays, electronic process will play vital role in controlling important decisions while there is collaboration between two big companies which cater to engineering, consultancy services, online design, media, electronics and much more.



E-commerce short for **electronic commerce** is trading in products or services using computer networks, such as the Internet. Electronic commerce draws on technologies such as mobile commerce, electronic funds transfer, supply chain management, Internet marketing, online transaction processing, electronic data interchange (EDI), inventory management systems, and automated data collection systems. Modern electronic commerce typically uses the World Wide Web for at least one part of the transaction's life cycle, although it may also use other technologies such as e-mail.

E-commerce businesses may employ some or all of the following

- Online shopping web sites for retail sales direct to consumers
- Providing or participating in online marketplaces, which process third-party business-to-consumer or consumer-to-consumer sales
- Business-to-business buying and selling
- Gathering and using demographic data through web contacts and social media
- Business-to-business electronic data interchange
- Marketing to prospective and established customers by e-mail or fax (for example, with newsletters)

DEFINITION

E-commerce (electronic commerce or EC) is the buying and selling of goods and services, or the transmitting of funds or data, over an electronic network, primarily the Internet. These business transactions occur business-to-business, business-to-consumer, consumer-to-consumer or consumer-to-business. The terms e-commerce and e-business are often used interchangeably. The term e-tail is also sometimes used in reference to transactional processes around online retail.

OBJECTIVES

Electronic commerce or e-commerce refers to a wide range of online business activities for products and services. It also pertains to “any form of business transaction in which the parties interact electronically rather than by physical exchanges or direct physical contact.”

1. Reach out to a larger audience - internet access is becoming so mainstream now that your product/service can reach almost everyone on the planet with a internet-enabled device.



2. Your virtual shop remains open and operational 24x7 even if you/your staff are not working- this might not be wholly true if your product is a service-which requires immediate human-intervention

3. In most cases; you need not maintain the whole stock of products - again this varies for different business models and will work greatly if you have a good supplier who does not defaults on supplies and a good shipping partner/team who work in sync for delivery

SCOPE OF E-COMMERCE



Illustrated the scope of the business processes involved in marketing, purchasing, sales, and service of products and services in companies doing e-Commerce. Companies that rely on e-Commerce either as buyers or sellers rely on Internet-based technology, and applications and e-Commerce services to complete the process of marketing, product discovery, transaction processing, and customer service processes and products. For example, e-Commerce can encompass interactive marketing, ordering, payment and process support to customers through catalogs and e-Commerce auction site on the World Wide Web. However, e - Commerce also includes a variety of business processes such as access to inventory databases by customers and suppliers (transaction processing), intranet access by the customer



relationship management system for customer service representatives (service and support), and customer collaboration in product development through exchange email and news groups on the internet (marketing/discovery).

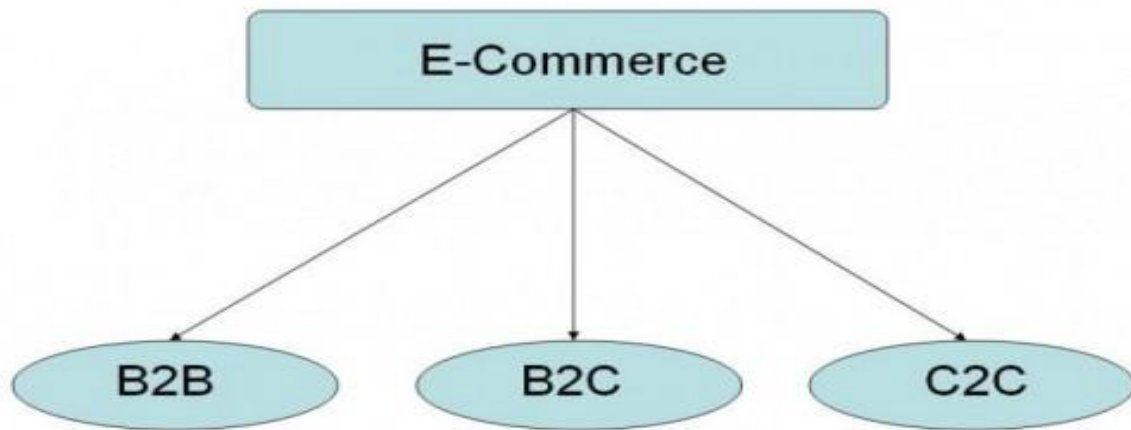
ADVANTAGES OF E-COMMERCE

1. 24*7 operation- round-the-clock operation is an expensive proposition in the 'brick-and-mortar' world, while it is natural in the 'click-and-conquer' world.
2. Global reach- the net being inherently global, reaching global customer is relatively.
3. Cost of acquiring, serving and retaining customers- it is relatively cheaper to acquire new customer over the net; thanks to 24*7 operations and its global reach. Through innovative tools of 'push' technology, it is also possible to retain customer's loyalty with minimal investments.
4. Improved to customer service to your clients- it results in higher satisfaction and more sales.
5. Power to provide the 'best of the world'- it benefits the traditional business side-by-side with the internet tools.

TYPES OF E-COMMERCE

E-Commerce or Electronic Commerce basically means buying or selling of goods over the Internet with the use of Electronic tools or techniques. The use of e-commerce in today's world has drastically changed our lifestyle especially in shopping activities. E-commerce is electronic business. It uses the power of computers, the Internet and software to send and receive details on products, purchase orders and invoices or the fact, any other type of data that needs to be communicated to customers, suppliers or the public.

Why e-commerce and how is different from traditional commerce? E-commerce has the potential to reduce the cost of businesses and generate more revenue. It also improves service quality by catering vast number of services in a given platform. Banks, Insurance, Retailers, Based on the nature of business being done, there are three major types of e-commerce in action.



Major Types of E-Commerce

1) Business to Business E-commerce (B2B)

Business to Business or B2B E-commerce is an interaction between two businesses without the involvement of a consumer. For Example www.agriwatch.com is an Indian agriculture e-marketplace in which authorized users can participate in the buying and selling of agricultural goods.



Agriwatch.com An example for B2B commerce.

2) Business to Consumers E-commerce (B2C)

Business to Consumers or B2C E-commerce involves selling of goods and services to consumers by a business. It allows the consumers to browse the catalog, choose the product and order it online.



For example, www.flipkart.com is a site where in you can browse the product catalog and buy whatever you like.



Flipkart.com An example for B2C commerce.

3) Consumers to Consumers E-commerce (C2C)

Consumers to Consumers or C2C E-commerce involve selling or purchase of goods between two consumers or individuals. For example www.olx.in is a platform where you can post an ad for the sale of a product or a service and another individual just purchases the goods directly from you.



Olx.in An example for C2C commerce.

Business to Government E-commerce (B2G) where the transaction takes place between a business enterprise and a government organization.



BENEFITS

The benefits of e-commerce include its around-the-clock availability, the speed of access, a wider selection of goods and services, accessibility, and international reach. Its perceived downsides include sometimes-limited customer service, not being able to see or touch a product prior to purchase, and the necessitated wait time for product shipping.

REVIEW OF LITERATURE

1. Study by Tarafdar and Vaidya (2011) examined the factors that determine the organizational inclination to adopt E-Commerce (EC). The study proposes a framework based on the qualitative data on four financial firms in India collected through multiple case study design. Face to face interview was used to collect primary data and existing database, company documents, press reports and websites are used to collect secondary data. The framework describes two broad factors—leadership characteristics and organizational characteristics—to explain the influence of organizational factors on the propensity to employ EC technologies. The study found that both leadership and organizational characteristic influence EC adoption. It establishes that leadership characteristics influence adoption of EC technologies in centralized organization

2. Dasgupta and Sengupta (2010) paper on e-commerce in Indian insurance industry discusses the features of e-insurance in comparison with the traditional offline insurance service. The authors put forth that e-insurance offers benefits such as reduction in search cost and hidden cost, price comparison for customers, and benefits such as opportunity to have niche market, first mover advantage and product bundling for insurance companies going online. Further, it discusses that status of e-insurance in India is still formative stage, but stands to gain particularly from the rural markets since the availability of insurance agent is very less compared to urban markets. The study is conceptual in nature and offers insights based on market reports and data from secondary sources

NEW OPPORTUNITIES

The new medium provides unprecedented opportunity for small operators. Whittle writes "The web site of a small company fills just as much of an individual's screen as the web site



of a multi-national conglomerate". Net shapers such as Yahoo, Netscape, Amazon and even Microsoft all started small.

CASE STUDY AMAZON.COM (EXAMPLE)

Amazon one of the best-known e-commerce successes, was founded in 1995 by Jeff Bezos as an on-line bookstore. Amazon has since diversified into areas including videos, software and toys. In addition to the usual search options Amazon encourages visitors to submit their own reviews of its offerings, allowing potential buyers to benefit from the findings of others. Its database makes recommendations based on previous purchases - the virtual equivalent of your friendly local bookseller - and its patented "one-click" technology provides a simple and effective means of ordering. Amazon backs up its excellent Cyber-presence with a reputation for fulfilment and delivery. Whilst it is not the cheapest e-tailer, according to the Economist 66% of its sales go to repeat customers. Despite its apparent success Amazon has yet to record a profit. According to the E-commerce Times the company has debts of more than \$2 billion and a second quarter loss of \$58 million announced in July 2001 was reported as good news by BBC Business.

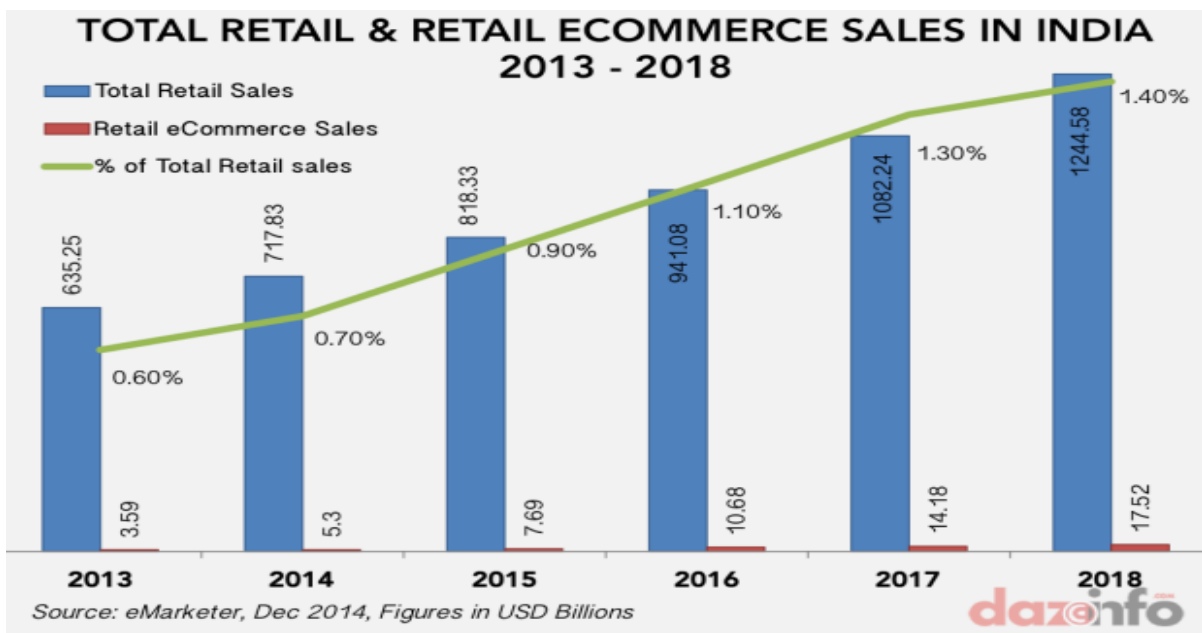
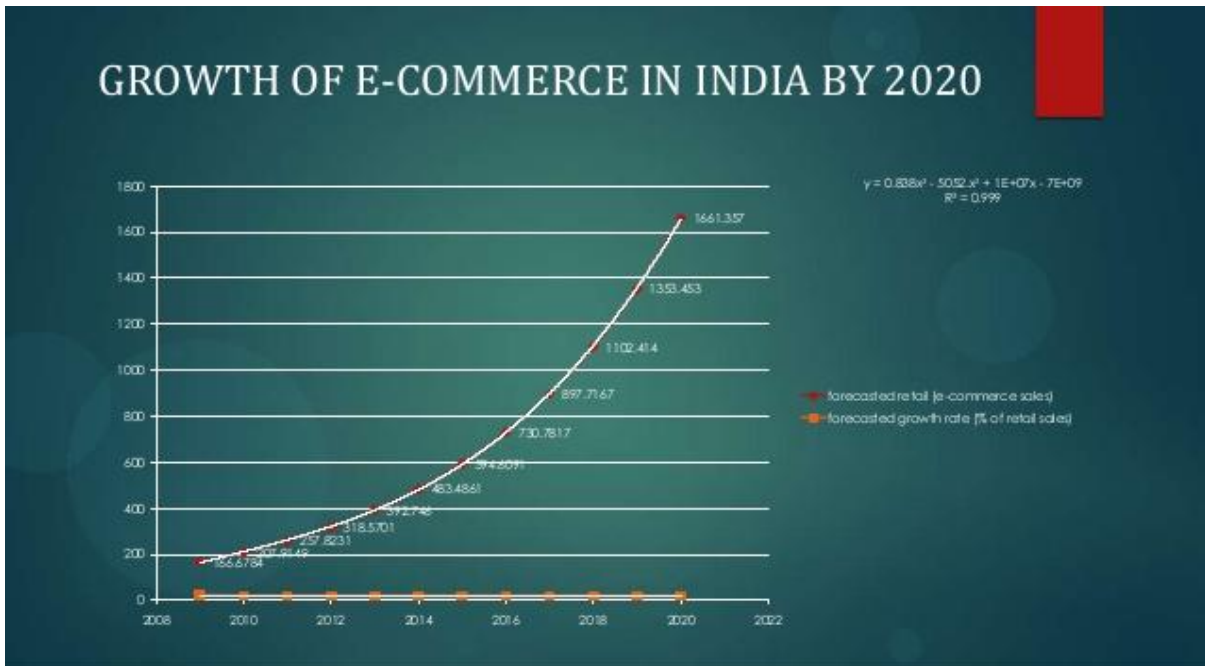
THE FUTURE

E-commerce has experienced phenomenal growth in the last five years both in terms of the number of participants and the variety and sophistication of features which e-tailers can use to promote their product. Continuing improvements in communications technology and access devices coupled with an ever richer array of software tools which designers can employ to convey their message across the 'net suggest the impact of e-commerce is set to increase unabated for the foreseeable future. The momentum acquired thus far is likely to inspire innovative solutions to remaining problems such as security issues and representational difficulties.

As intelligent agents become more sophisticated and more widely deployed it would appear that profit through artificially high prices will cease to be feasible. Merchants of near-identical goods and services will need to provide some form of added value to their core purpose in order to differentiate themselves from their competitors and earn a share of the market. For those that can successfully achieve this potential rewards are enormous.



E-commerce promises to liberate business, consumers and workers alike but is set to impact widely on the existing economy forcing traditional businesses to adapt and creating numerous opportunities for new entrants



GROWING THE BASE

Online shopping has seen a lot of traction in the last 12-18 months. India has almost 130 million online users at present, out of which as many as 10% are engaging in online transactions. The online user base is expected to cross 300 million in the next 2 – 3 years and



a larger percentage of people are expected to transact online by 2015. This large base will provide vast scope for e-commerce businesses to establish themselves in India.

CONCLUSION

Conclusion several important phenomena are associated with e-commerce. E-commerce has unleashed yet another revolution, which is changing the way businesses buy and sell products and services. New methodologies have evolved. With the rapid expansion of internet, e-commerce is set to play a very important role in the 21st century, the new opportunities that will be thrown open, will be accessible to both large corporations and small companies.

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GREEN MARKETING IN INDIA AN OVERVIEW

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ABSTRACT

Increasing awareness on the various environmental problems has led a shift in the way consumers go about their life. There has been a change in consumer attitudes towards a green lifestyle. People are actively trying to reduce their impact on the environment. However, this is not widespread and is still evolving. Organizations and business however have seen this change in consumer attitudes and are trying to gain an edge in the competitive market by exploiting the potential in the green market industry. In the modern era of globalization, it has become a challenge to keep the consumers in fold and even keep our natural environment safe and that is the biggest need of the time. Green marketing is a phenomenon which has developed particular importance in the modern market and has emerged as an important concept in India as in other parts of the developing and developed world, and is seen as an important strategy of facilitating sustainable development. In this research paper, main emphasis has been made of concept, need and importance of green marketing. Data has collected from multiple sources of evidence, in addition to books, journals, websites and news papers. It explores the main issues in adoption of green marketing practices. The paper describes the current Scenario of Indian market and explores the challenges have with green marketing.

Keywords: Green Marketing, Environment, Traditional Marketing, Consumer, Marketer.

WHAT IS GREEN MARKETING?

While different agencies and organizations offer various definitions of green marketing (sometimes called environmental marketing, or eco-marketing), they generally agree that it is the marketing of products and companies that promote the environment in some substantial way. Some definitions look for environmentally “safe” or “sustainable” production, while others seek to reduce a company’s “carbon footprint.”



In either case, green marketing involves more than simply presenting an environmentally friendly product. It also speaks to, and actively promotes, a company's processes and business practices as having low environmental impacts. Some business practices, such as reducing production waste or energy costs, are good for both the environment and business profitability (*See also Ethical Marketing*). Adopting such practices may or may not be perceived as "green," depending upon consumer perceptions of other aspects of the business. However, these actions can still be positioned as the company "doing its part"—promoting positive reactions toward the company.

GREEN OPPORTUNITIES

- use recycled materials in product production
- use green energy (such as wind and geothermal)
- reduce production waste (in both energy and materials)
- use eco-friendly methods, including sustainable and organic agriculture
- buy/sell locally, reducing transportation energy
- reduce product packaging
- make products reusable and recyclable

OBJECTIVES OF THE STUDY

The paper titled —**Green marketing in India An overview** is aimed to cover the following objectives

1. To know the concept of green marketing.
2. To identify the importance and need of green marketing.
3. To study the challenges and prospects of green marketing.

FOR WHAT KINDS OF CUSTOMERS IS GREEN MARKETING EFFECTIVE?

A majority of polls indicate that consumers favor green products, and are willing to pay more for them. However, the fact is that higher-priced green products have always struggled for market share. In many industries they garner only 3 percent of total market share in the consumer market; in business-to-business markets, green marketing often commands greater results. This does not mean that the majority of purchasers do not care about green marketing, but it does mean that they also care about other competitive value propositions, including



quality, convenience, and cost. The National Marketing Institute estimates that about 80 percent of consumers are engaged by green marketing at some level, with about 17 percent of consumers highly engaged. This consumer group, referred to as LOHAS (Lifestyles of Health and Sustainability), are those most likely to pay a premium for green products. As a group, they are more affluent and better educated than the general population. A related market segment, designated Naturalites, constitute an additional 19 percent of the population. This group (also more affluent and educated than the general population) is interested in green products as they appeal to health considerations. They are highly likely to buy organic foods, but are less interested in green marketing for durable products.

Highly price-sensitive consumers are the least responsive to green marketing. For those with less disposable income, being thrifty with their money becomes a more immediate concern. Green marketing therefore faces a particular challenge in times of economic slowdown, as price becomes a bigger factor in consumers' purchasing decisions.

WHAT CAREER TITLES WORK WITH GREEN MARKETING STRATEGIES?

Marketing Managers Marketing Managers direct green campaigns and integrate them with overall business strategy.

- ✓ market the green message through advertising
- ✓ promote the green aspect(s) of the company brand
- ✓ initiate market research, and use the results to recommend green product improvements and initiatives
- ✓ make recommendations for green product packaging, including representation of green certifications and value claims
- ✓ make recommendations on improving the green aspect of upstream processes (such as resource extraction) and downstream effects (such as reusability and recycling)

EVOLUTION OF GREEN MARKETING

Green marketing term was first discussed in a seminar on —Ecological Marketing|| organized by American Marketing Association (AMA) in 1975 and took its place in the literature. The term green marketing came into prominence in the late 1980s and early 1990s. The first wave of green marketing occurred in the 1980s. The tangible milestone for the first



wave of green marketing came in the form of published books, both of which were called Green Marketing. They were by Ken Pattie (1992) in the United Kingdom and by Jacquelyn Ottman (1993) in the United States of America. According to Peattie (2001), the evolution of green marketing has three phases.

First phase was termed as "**Ecological**" green marketing, and during this period all marketing activities were concerned to help environmental problems and provide remedies for environmental problems. Second phase was "**Environmental**" green marketing and the focus shifted on clean technology that involved designing of innovative new products, which take care of pollution and waste issues. Third phase was "**Sustainable**" green marketing. It came into prominence in the late 1990s and early 2000s concerned with developing good quality products which can meet consumers need by focusing on the quality, performance, pricing and convenience in an environment friendly way. **Characteristics Of Green**

Products We can define green products by following measures

1. Products those are originally grown.
2. Products those are recyclable, reusable and biodegradable.
3. Products with natural ingredients.
4. Products containing recycled contents and non toxic chemical.
5. Products contents under approved chemicals.
6. Products that do not harm or pollute the environment.
7. Products that will not be tested on animals.
8. Products that have eco-friendly packaging i.e. reusable, refillable containers etc.

WHY ARE FIRMS USING GREEN MARKETING?

While looking through the literature there are several suggested reasons for firms increased use of Green Marketing. Five possible reasons cited are

1. Organizations perceive environmental marketing to be an opportunity that can be used to achieve its objectives [Keller, 1987; Shearer, 1990].
2. Organizations believe that they have a moral obligation to be more socially responsible [Davis,1992; Freeman and Liedtka,1991; Keller,1987; McIntosh, 1990; Shearer, 1990;]
3. Governmental bodies are forcing firms to become more responsible [NAAG, 1990;]
4. Competitors environmental activities pressurize firms to change their environmental marketing activities [NAAG,1990;] and



5. Cost factors associated with waste disposal or reductions in material usage forces firms to modify their behavior [Azzone and Manzini,1994;].

- ✓ **Opportunity** In India, around 25% of the consumers prefer environment friendly products, and around 28% may be considered health conscious. Therefore, green marketers have diversified to fairly sizeable segment of consumers to cater to.
- ✓ **Social Responsibility** Many companies have started realizing that they must behave in an environment friendly fashion. They believe both in achieving environmental objectives as well as profit related objectives respecting the principle of Extended Producer Responsibility (EPR).
- ✓ **Governmental Pressure** Various regulations are framed by the government to protect consumers and the society at large. The Indian government too has developed a framework of legislations to reduce the production of harmful goods and by-products. These reduce the industry's production and consumer's consumption of harmful goods, including those detrimental to the environment; for example, the ban of plastic bags, prohibition of smoking in public areas, etc.
- ✓ **Competitive Pressure** Another major force in the environmental marketing area has been firms' desire to maintain their competitive position. In many cases firms observe competitors promoting their environmental behaviors and attempt to emulate this behavior. In some instances this competitive pressure has caused an entire industry to modify and thus reduce its detrimental environmental behavior.
- ✓ **Cost Reduction** Reduction of harmful waste may lead to substantial cost savings. Sometimes, many firms develop a symbiotic relationship whereby the waste generated by one company is used by another as a cost-effective raw materials.

GOLDEN RULES OF GREEN MARKETING

1. **Know your Customer** Make sure that the consumer is aware of and concerned about the issues that your product attempts to address.
2. **Educating your customers** It is not just a matter of letting people know, whatever you're doing is to protect the environment, but also a matter of letting them know why it matters.



3. **Being Genuine & Transparent** means that a) You are actually doing what you claim to be doing in your green marketing campaign and b) The rest of your business policies are consistent with whatever you are doing that's environment friendly.
4. **Reassure the Buyer** Consumers must be made to believe that the product performs the job , in this firm should not forgot product quality in the name of the environment.
5. **Consider Your Pricing** If you are charging a premium for your product and many environmentally preferable products cost more due to economies of scale and use of higher-quality ingredients make sure those consumers can afford the premium and feel it's worth it.

Countries ranked according to their response level

Table No.1 Countries ranked according to their response level on Green Marketing

Ranks	Countries
1	India
2	UK
3	US
4	Thailand
5	Australia
6	Canada
7	China

Source – Names International Journal of Management Research

GREEN PRODUCTS IN INDIA

Wipro Info tech (Green It) was India's first company to launch environment friendly computer peripherals. Samsung, was the first to launch eco friendly mobile handsets (made of renewable materials) – W510 and F268- in India. Oil and Natural Gas Corporation Ltd. (ONGC), India's largest oil company, has introduced energy-efficient Mokshada Green Crematorium, which saves 60% to 70% of wood and a fourth of the burning time per cremation. Reva, India's very-own Bangalore based company was the first in the world to commercially release an electric car. Honda India introduced its Civic Hybrid car. ITC has introduced Paper Kraft, a premium range of eco-friendly business paper. Indusland Bank installed the country's first solar-powered ATM and thus brought about an eco-savvy change



in the Indian banking sector. Suzlon Energy manufactures and markets wind turbines, which provide an alternative source of energy based on wind power. This green initiative taken by the company is extremely important for reducing the carbon footprint.

GREEN MARKETING- CHALLENGES

Although a large number of firms are practicing green marketing, it is not an easy job as there are a number of problems which need to be addressed while implementing Green marketing. The major challenges which Green marketing have to be faced are

1. New Concept-Indian literate and urban consumer is getting more aware about the merits of Green products. But it is still a new concept for the masses. The consumer needs to be educated and made aware of the environmental threats. The new green movements need to reach the masses and that will take a lot of time and effort.

2. Cost Factor- Green marketing involves marketing of green products/services, green technology, green power/energy for which a lot of money has to be spent on R&D programmes for their development and subsequent promotional programs which ultimately may lead to increased costs.

3. Convincing customers-The customers may not believe in the firm's strategy of Green marketing, the firm therefore should ensure that they undertake all possible measures to convince the customer about their green product, the best possible option is by implementing Eco-labeling schemes. Sometimes the customers may also not be willing to pay the extra price for the products.

4. Sustainability- Initially the profits are very low since renewable and recyclable products and green technologies are more expensive. Green marketing will be successful only in long run. Hence the business needs to plan for long term rather than short term strategy and prepare for the same, at the same time it should avoid falling into lure of unethical practices to make profits in short term.

5. Non Cooperation- The firms practicing Green marketing have to strive hard in convincing the stakeholders and many a times it may fail to convince them about the long term benefits of Green marketing as compared to short term expenses.



6. Avoiding Green Myopia- Green marketing must satisfy two objectives improved environmental quality and customer satisfaction. Misjudging either or overemphasizing the former at the expense of the latter can be termed green marketing myopia.

RESEARCH METHODOLOGY

The research is exploratory in nature; it focuses on Literature review, News Papers, Journals, websites and the other reliable sources

- **Sanjay K. Jain & Gurmeet Kaur (2004)** in their study of environmentalism which had fast emerged as a worldwide phenomenon discussed business firms too have risen to the occasion and have started responding to environmental challenges by practicing green marketing strategies. Green consumerism has played a catalytic role in ushering corporate environmentalism and making business firms green marketing oriented. Based on the data collected through a field survey, the paper made an assessment of the extent of environmental awareness, attitudes and behaviour prevalent among consumers in India.
- **Donaldson (2005)** in his study realized in the Great Britain that in general the ecological attitude of consumers changed positively. This study reported the strong faith of consumers in the known commercial brands and in the feeble behaviour referring to the "green" claims, which was the main cause behind the consuming failure to interpret their concerns beyond the environment in their behavior
- **Brahma, M. & Dande, R. (2008)**, The Economic Times, Mumbai, had an article which stated that, Green Ventures India is a subsidiary of New York based asset management firm Green Ventures International. The latter recently announced a \$300 million India focused fund aimed at renewable energy products and supporting trading in carbon credits.

CONCLUSION

Green marketing is a tool for protecting the environment for future generation. It is not going to be an easy concept. The firm has to plan and then carry out research to find out how feasible it is going to be. Green marketing has to evolve since it is still at its infancy



stage. Adoption of Green marketing may not be easy in the short run, but in the long run it will definitely have a positive impact on the firm. Green Marketing is still in the stage of childhood in the Indian companies. Lots of opportunities are available. Now this is the right time to select Green Marketing globally. It will come with drastic change in the world of business if all nations will make strict rules because green marketing is essential to save world from pollution. From the business point of view because a clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigor, as it has an environmental and social dimension to it. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad. Recycling of paper, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal. It has to become the general norm to use energy efficient lamps and other electrical goods. Indian market Customers too are ready to pay premium price for green products. Ultimately green marketing requires that consumers want a cleaner environment and are willing to pay for it, possibly through higher priced goods, modified individual lifestyles, or even governmental intervention. Until this occurs it will be difficult for firms alone to lead the green marketing revolution. An environmental committed organization may not only produce goods that have reduced their detrimental impact on the environment, they may also be able to pressure their suppliers to behave in a more environmentally responsible fashion. Final consumers and industrial buyers also have the ability to pressure organizations to integrate the environment into their corporate culture and thus ensure all organizations minimize the detrimental environmental impact of their activities.

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GREEN MARKETING – AN OVERVIEW

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INTRODUCTION

A topic that the media, politicians, organisations and general public have been talking about during the past decade is the environmental friendliness or so called "green marketing". Consumers began to espouse concern for the environment. In fact, through a survey carried out in America, Gutfield (1991) found that eight out of ten consumers were claiming to be environmentalists (cited in Grove, Fisk, Pickett & Kangun, 1996). According to Mainieri and Barnett, 1997, as cited in Juwaheer, 2005, the environment has faced massive destructive changes diminution of natural resources, damage to the ozone layer, and loss of agricultural land. In the recent years, due to the massive amount of environmental pollution caused by firms in the world, people have become more aware of the environmental issues. Therefore, due to the attention of the society, many organisations have started to accept their environmental responsibility (Chen, 2010). Similarly, Kangun et al., 1991 as cited in Martin & Simintiras, 1995 argued that firms were trying to respond to the rising environmental concern of consumers by selling green products. Consequently, many organisations started to promote themselves as green companies, that is, they began to produce and market goods or services in a way which minimises damage to the environment.

IMPORTANCE OF GREEN MARKETING

The importance of green marketing can be found from the basic definition of economics Economics is the study of how people use their limited resources to try to satisfy unlimited wants (McTaggart, Findlay & Parkin 1992, 24, cited in Polonsky, 1994). Resources are limited and human wants are unlimited. Therefore, as organisations have fewer resources, they have to find new ways to satisfy these unlimited wants. The emergence of the concept of green marketing has made it possible for organisations to use the resources in an efficient way and at the same time to minimise waste. There is a rising interest among consumers regarding the protection of the natural environment and they are changing their purchasing



behaviour. People want a clean environment to live. Consequently, many firms have to indulge in green marketing to minimise waste and at the same time act in response to the increasing demand of eco-friendly products and services.

REVIEW OF LITERATURE

The literature has been reviewed from the reputed journals of both National and International Journals pertaining to Green Marketing and its related issues. The literature has also been reviewed from Text Books, Magazines, & Websites.

GREEN MARKETING - INSIGHTS

Dileep Kumar (2010) analysed that how far the hotel business organizations in the tourism sector meet the customer's needs through green marketing effort and how they influence the consumer behaviour and their satisfaction by inducing environmentally responsible behaviour.

Vijay Jain et al (2010) summarized the three C's process for green marketing implementation as Consumer Value Positioning, Calibration of Consumer Knowledge and Credibility of product.

Artee Aggrawal et al (2010) outlined that Eco-responsible (Green) organizations have a tough task to optimise their product offering mix in such a way so that they can not only attract customer towards them but also can have their products price competitive.

Ramakishen et al (2010) understood that the factors for going green as Goodwill, Differentiation, Competition, Pressure Groups, Government Pressure, Customer Demand, New Market Entry.

The study conducted by **Sourabh Bhattacharya (2011)** states that the green marketers in India should carry out heavy promotional campaigns, because majority of the Indian consumers are price-sensitive and are not sure about the quality of green products.



The study by **Saloni Pawan Diwan & B. S. Bodla (2011)** observed that it is not a smooth sailing of the ship carrying green products and services in the sea of intense competition. The boat can encounter an iceberg of increased cost and prices and inflated claims of —greenness|| .

According to **Joseph & Rupali korlekar(2012)**, there is a scope for in-depth studies on green marketing to be conducted in developing countries like India, not only on understanding consumers' perception but to study the detailed profile of such consumers who have a more positive attitude towards green marketing and green products.

Selvakumar & Ramesh Pandi (2011) indicated that Green Marketing is not all about manufacturing green products and services but encompassing all those marketing activities

that are needed to develop and sustain consumers' eco-friendly attitudes and behaviours in a way that helps in creating minimal detrimental impact on the environment.

The study by **Moloy Ghoshal (2011)** examined that green marketing was still in infancy. In the perception of marketing scholars, green marketing refers to eco-level and market segmentation and the role of structural factors and economic incentives in influencing consumer behavior. The green marketers must understand to satisfy two objectives improved environmental quality and customer satisfaction.

The research by **Anup Sinha & Jamie Gilpin (2009)** primarily focused on finding inefficiencies in the carbon value chain of energy production using renewable methods. By utilizing anaerobic digestion and gasification technology Aura could produce biogas from cattle, swine, and other farm animals.

The study by **Ann Kronrod et al (2012)** highlighted and explained the surprising prevalence of assertive environmental messages in the media. Environmental agencies, which are populated with people who perceive protecting the environment as a highly important issue, should understand that not all consumers are as informed and concerned about the environment.



The study by **Murugesan (2008)** underlined that firms may use green marketing as an attempt to address cost or profit related issues. Disposing of environmentally harmful by-products, such as polychlorinated biphenyl contaminated oil are becoming increasingly costly and the firms that can reduce harmful wastes may incur substantial cost savings.

Charles W Lamb et al (2004) explained that —Green Marketing|| has also become an important way for companies to build awareness and loyalty by promoting a popular issue. By positioning their brands as ecologically sound, marketers can convey concern for the environment and society as a whole.

Robert Dahlstrom (2011) examined that Green Marketing has positive influences on multiple participants in the economy. The environment, developing economies, consumers, corporate strategy, the product, production processes, and supply chain benefit from green marketing. Green marketing firms establish strategic alliances with government, local communities, nongovernmental organizations (NGOs), industry experts, and competitors.

According to **Roger A Kerin et al (2007)**, Green Marketing takes many forms. It comes from product development opportunities that emanate both from consumer research and its Pollution Prevention Pays|| program. This program solicits employee suggestions on how to reduce pollution and recycle materials.

Biji P Thomas & H Nanje Gowda (2010) highlighted that environmentally friendly buildings are also known as Green Buildings. Some of the visible —green|| features, such as exterior window shading, good daylighting, green (landscaped) roofs, and natural ventilation chimneys are often considered as the signals of being green.

Philip Kotler & Kevin Lane Keller (2011) Companies that mound —green programs|| can face two main problems consumers may believe that product is of inferior quality of being green and consumers feel the product is not really that green to begin with.

Arun Kumar & N. Meenakshi(2009) Consumers have to play an important role if companies have to be made responsible for preservation of the environment. They should stop buying products of companies which are polluting the environment. Apart from



companies, NGOs also have very important roles to play. NGOs should carry out research and tell the companies how they can make their process more environment-friendly.

Rajan Saxena(2010) maintained that Green products and services are today increasingly being accepted by both the companies and customers. Following are some of the arguments in favour of green marketing which makes it profitable for the firm/organisation.

- An aware customer now insists on a green‘ product and packaging material.
- Aware customers are joining together to form interest groups which lobby for eco-friendly products and legislation to protect their environment.
- Given the choice, customers tend to buy eco-friendly products.

The study by **Altaf Khan(2011)** about the Indian companies practicing the Green Marketing

Concepts as follows

- Samsung Electronics has adopted modern environmental conservation activities, such as the developing of environmental-friendly products and service and maintaining a safe and pleasant working environment at factories, based on Green Management and the Life-Cherishing philosophy.
- Tuna manufacturing company has modified their fishing techniques because of the increased concern over drift-net fishing and the resulting death of dolphins.
- Toyota, the most popular automobile industry, introduced the Prius, which is the first hybrid car that is more environmental-friendly compared to other cars.
- Xerox, the pioneer photo copier company introduced a —high quality|| recycled photocopier in an attempt to satisfy the demands of firms for les environmentally harmful products.



Arun Kumar and N. Meenakshi(2011) believed that Sustainable innovation and marketing is the key to future profitability and companies need to adopt the following practices

- Companies that comply with the most stringent standards do not have to manage separate processes for different markets. norms of each country in which its manufacturing facilities are located.
- Smart companies reduce the consumption of nonrenewable resources such as coal, petroleum and natural gas as well as renewable resources such as water and wood.
- To design eco-friendly products, companies examine product life cycles and understand consumer concerns. Preserving the environment is vital through the eco-friendly products and which is vital for our own preservation.

Sherlekar(2007) has identified that using a titled earthen pitcher as its symbol, the Ecomark label is intended to enable consumers to choose products which are environmental friendly. The products demanding immediate Ecomarking are textiles, toilet soaps, detergents, paper, paints, packages, pesticides, drugs etc.

The study by **Sandhya Joshi(2011)** pointed that Environmental issues have gained importance in business as well as in public life throughout the world. Clearly green marketing is part and parcel of over all corporate strategy; along with manipulating the traditional marketing mix - product, price, promotion and place. Smart business houses have accepted green marketing as a part of their strategy.

The survey on Green Brands despite recession(2010) focused on the global brands and attitudes, there is learning for local green brands as well. The good news is that consumers generally trust green advertising, especially in developing markets.

The study by **Banumathi Mannarswamy(2011)** proved that World wide evidence shows people are concerned about the environment and are changing their behavior accordingly. As a result there is a growing market for sustainable and socially responsible products and services.



The study by **Meenakshi Handa(2006)** has indicated that Activist groups and the media have played a major role in enhancing the environmental awareness and consciousness of consumers in recent years. Most studies on the subject show that although the awareness and environmental behavior of consumers across countries, educational levels, age and income groups may differ, environmental concerns are increasing worldwide.

The study by **Welling & Anupamaa S Chavan(2010)** analysed Green marketing is not going to be an easy concept. The firm has to plan and then carry out research to find out how feasible it is going to be. Green marketing has to evolve since it is still at its infancy stage. Adoption of Green marketing may not be easy in the short run, but in the long run it will definitely have a positive impact on the firm.

The study by **Jacquelyn A.Ottoman(2006)** explained that Green Marketing must satisfy two objectives Improved Environmental Quality and Customer Satisfaction. Research indicates that many green products have failed because of green marketing myopia—marketers‘ myopic focus on their products‘ —greenness|| over the broader expectations of consumers or other market players (such as regulators or activists).

The study by **Vinay et al(2011)** determined that the concept of green marketing has been around at least since the first earth day in 1970. But the idea did not catch on till 1980‘s, when rising public interest in the environment led to a demand for more green products and services. The companies like Wipro, HCL, TNPL, IBM, ONGC etc., implemented the concept of green marketing in their organization.

According to **Vemuri Lakshmi Narayana & Dhinesh Babu(2008)**, A clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigor, as it has an environmental and social dimension to it.

The study by **Sanjit Kumar Dash(2010)** identified the marketing strategies for green marketing include Marketing Audit (including internal and external situation analysis) It was found that Challenges ahead include green products require renewable and recyclable



material, which is costly requires a technology, which requires huge investment in R&D. You must find an opportunity to enhance your product's performance and strengthen your customer's loyalty and command a higher price.

The study by **Project Guru(2010)** indicated that India is still at nascent stage in using eco friendly products. It is the responsibility of the individuals, organizations and Government to take further steps to increase the awareness on benefits of eco-friendly products.

In their study by **Pavan Mishra & Payal Sharma(2010)** conceptualized that Green Marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigor, as it has an environmental and social dimension to it.

The study by **Nandini Deshpande(2011)** has pointed out that Green Marketing should not neglect the economic aspect of marketing. Marketers need to understand the implications of Green Marketing. Thus Green Marketing is a golden goose, and can be a very powerful marketing strategy though when it is done right.

Mulchand Sen(2007) explored that Green Marketing covers more than a firm's marketing claims. has pointed out that Green Marketing should not neglect the economic aspect of marketing. Marketers need to understand the implications of Green Marketing. Thus Green Marketing is a golden goose, and can be a very powerful marketing strategy though when it is done right.

The study by **Saranya(2011)** analyses that Green Marketing mainly focuses on promoting the consumption of green products. Marketers also have the responsibility to make the consumers understand the need for and benefits of green products than non-green products.

Ajit Upadhyaya and Rajeev Shukla(2011) highlighted that Environmental concerns and influences on green consumers refer to the practice of practicing – selling or using products/services based on their environmental benefits.

The study by **Habib Ahmad et al(2010)** reveal that Pakistani customers have adequate exposure to print and broadcast media but television advertising is preferred. Besides print



and electronic media, outdoor advertising is also an important part of advertising green products in Pakistan.

The study by **Sudhanshu Joshi et al(2008)** identified the Examples of Corporates Initiatives towards green branding in Banking. India's largest private bank ICICI asks its customers to sign up for paperless bank statements and the bank plants a tree for each complying customer. In Brazil Unilever and WalMart have built sustainable houses within stores made from recycled products and showing how to make everyday living more eco friendly.

The study by **Dharmendra Mehta(2011)** indicated that Indians are not only conscious about their environment but also health conscious as well. This paradigm shift in attitude has made Indian consumers attractive to green marketers. It has made the population more responsive and aware towards green marketing appeals.

Objective of the Study

In this paper an attempt is made to trace the literature reviews and identify the gap for the research undertaken by the researcher

ENVIRONMENTAL MARKETING & SUSTAINABILITY

From the study by **Elangovan et al (2006)**, it was clear that there is a growing concern for environmental degradation and the resultant pollution all over the world. Industrialization, Urbanization, new consumption pattern and social linkages are mainly responsible for the present state of environmental degradation.

In their analysis by **Pravin Agrarwal et al (2010)** found that the Kyoto Protocol had been signed in the year 1997 to tackle the effect of global warming. India may think of having its own carbon credit market, where energy intensive firms may purchase carbon credit internally from other energy efficient firms.

The study by **Varsha Jain & Subhadip Roy (2010)** addressed the concept of Ecoism from the consumer perspective. It was found that eco-friendly products are still in a nascent stage in India (such as organic food). It is difficult for the consumers to comprehend about eco-friendly products across all categories.



Kupuswamy & Venkatrama Raju (2011) examined that the initiatives undertaken by the companies to improve Energy Efficiency, devising ways and means for re-use of energy, oils and materials to promote Resource Conservation. It highlights the development of sustainability at three levels, namely, Strategic Level, Relationship and Co-ordination Level and Operating Level.

In their study by **Muthamizh Vendan Murugavel (2010)** found that, the impact of global warming is likely to hit developing countries hardest. Global warming threatens availability of fresh water, food security and productivity of natural resources.

Philip Kotler (2011) recognized that the Companies need to make drastic changes in their research-and-development, production, financial, and marketing practices if sustainability has to be achieved. The several environmental challenges to be considered in the sustainability

are change in the composition of the atmosphere, depletion of the ozone layer, soil degradation & increased desertification, increased air and water pollution.

The study by **Uma Gupta(2012)** pointed out that a green cold storage is one which is located near the rail/road terminal and has an eco-friendly plant layout with building design using eco-friendly and recycled materials and efficient thermal insulation.

The study by **Praneti Shah(2010)** revealed that use of best available equipments, devices and systems such as high efficiency electrostatic precipitators and tall stacks for control of stack emissions, dust extraction and dust suppression systems for control of fugitive dust, effluent treatment plants, neutralization pits and ash ponds for control of the effluent quality, ash water re-circulation system and cooling towers for control of the effluent quality as conservation of water were essential in cement, textile and petrochemicals to prevent carbon emissions.

According to the study by **Indranil Mutsuddi & Rimi Mutsuddi(2009)**found that there is overall consensus among the respondents about the initiatives in workplace like paper less office, use of teleconferencing to reducing travel, training and introduction of waste



management practices and introduction of wellness program for healthy work life have been very effective.

The study by **Thankodi and Padmavathi(2011)** analysed that with three cities of the nation in to ten polluted cities in the world the fourth largest polluting country, the need for green

banking is higher than anywhere else here. Hence a new trend was given birth in our endeavour to become eco-friendly or —being green|| . The aim of the green banking is to provide good environmental and social business practice.

In their study by **Philip Kotler et al (2010)**, Environmental Sustainability refers to generating profits while helping to save the planet. Companies can use to gauge their progress towards progress environmental sustainability through internal and external —greening|| and internal and external —beyond greening|| .

- Internal and external —greening|| includes pollution prevention (eliminating or reducing waste before it is created and product stewardship(minimizing environmental impact throughout the entire product life cycle).
- Internal and external —beyond greening|| includes new clean technology (developing new sets of environmental skills and capabilities) and Sustainability vision(creating a strategic framework for future sustainability).

NEED FOR THE STUDY

Nowadays, we are living in an age of recyclable, non-toxic and environment-friendly goods and services. Green marketing has become a new tool for organisations to satisfy the needs and wants of consumers and earn high profits. Based on the research literature reviews it could be concluded that so far limited researches have been undertaken on the topic Green Marketing. Especially researches on the said line is limited on southern parts. Hence an attempt is made by the researcher to analyse the green marketing practices in Theni District.



CONCLUSION

Theni district in the Southern part of Tamilnadu is one among the choicest tourist delights and destinations with a delightful mixture of tourist attractions such as captivating dams, waterfalls and countless pilgrim centers. This district is surrounded by the Western Ghats, with it ubiquitous green stretches of cultivated lands and tea gardens. Silk cotton, soft towels, coffee seeds, cardamom, mango, are the main produce of the district. Hence the researcher is doing research in Theni District on the title Green Marketing practices in Theni District.

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**A STUDY ON LEVEL OF AWARENESS AND SATISFACTION
TOWARDS INVESTMENTS AMONG PROFESSIONALS IN
COIMBATORE CITY**

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“In investing, what is comfortable is rarely profitable.”

- Robert Arnott

INTRODUCTION

Savings is an important part of the economy of a nation. With the saving invested in various options available to the people, money acts as the driver for growth of the country. The Indian financial scene presents a plethora of avenues to investors. Though certainly not the best or deepest of markets in the world, it has reasonable options for an ordinary man to invest his savings. One needs to invest and earn returns on the ideal resources and generate a specified sum of money for specific goal in life and make a provision for an uncertain future. One of the important reasons to invest wisely is to meet the cost of inflation. India is a developing country stuffed with various credits. It is interesting to note that the savings rate is relatively higher when compared with that of other countries. Personal Savings in India increased to 20037.20 INR Billion in 2012 from 18329.01 INR Billion in 2011 reported by the Central Statistical Organization, India¹. Investment is the sacrifice of certain present value for the uncertain future reward. Investments are always interesting, challenging and rewarding. Generally, when there is a high risk, more rate of return is assured. Risk and reward go together.

Major features of investment are safety of principal amount, liquidity, income stability, appreciation and easy transferability². A variety of investment avenues are available

¹ Pandian, A.V. & Thangadurai. G. (2013). A Study of Investors Preference towards Various Investments Avenues in Dehradun District, *International Journal of Management and Social Sciences Research*, 2 (4), 22.

² Ib.id.



such as shares, banks, companies, gold and silver, real estate, life insurance, postal savings and so on. Investors invest their surplus money in one or more of the above mentioned avenues based on their risk taking attitude and return expectations. The benefits may be in the form of capital appreciation, income in the form of dividends, bonus, retirement benefits and many other benefits.

“No pain, no gain” -it is the golden principle of investment management. More risk leads to more profit. Investors cannot avoid risk but they can minimize the risk by investing their money in various forms of investments so that they can get a moderate profit. The most preferred investment is bank deposits followed by investment in gold and real estate³. Behavioural finance studies the effects of social, cognitive and emotional factors on the economic decisions of individuals and their consequences for market prices, returns and resource allocation. Behavioural models typically integrate insights from psychology with neo-classical economic theory in that these behavioural models cover a range of concepts, methods and fields. Investment behaviour refers to the attitudes, perception and willingness of the individuals and institutions in placing their savings in various types of financial assets⁴.

PURPOSE OF INVESTMENT

One needs to invest to

- Generate a specified sum of money for a specific goal in life.
- Make a provision for an uncertain future.

Some factors that have made investment decisions increasingly important are

- Longer life expectancy or planning for retirement.
- Increasing rates of taxation.
- High interest rates
- High rate of inflation
- Larger incomes
- Availability of a complex number of investment outlets

OBJECTIVES OF THE STUDY

- To find out the level of awareness about various investment avenues

³ Ib.id.

⁴ Nayaki, K.M. (2013) A Study on Investors Behavior towards the Investment Alternatives with Special Reference to Coimbatore City, www.indianmba.com.



- To examine the satisfaction level of the investors towards different characteristics of the various investment avenues.

ANALYSIS AND INTRPRETATION

SAFE / LOW RISK INVESTMENT AVENUES

An attempt has been made to know the level of awareness, percentage of investment and satisfaction level of the respondents about safe / low risk investment avenues. For the purpose of this study, the various investment avenues have been classified into seven categories viz., savings account, bank fixed deposit, public provident fund, national savings certificate, post office savings, government securities and recurring deposit. The details are furnished in the following table.

Table No. 1 Safe / Low Risk Investment Avenues

S. No.	Investment Avenue	Aware		% of Investment			Satisfaction		
		Yes	No	No Investment	<5%	6-10%	>10%	Yes	No
1	Savings Account	600 (100.0)	-	-	211 (35.2)	245 (40.8)	144 (24.0)	438 (73.0)	162 (27.0)
2	Bank Fixed Deposit	395 (65.8)	205 (34.2)	220 (36.7)	123 (20.5)	152 (25.3)	105 (17.5)	325 (54.2)	275 (45.8)
3	Public Provident Fund	289 (48.2)	311 (51.8)	323 (53.8)	116 (19.3)	99 (16.5)	62 (10.3)	210 (35.0)	390 (65.0)
4	National Savings Certificate	234 (39.0)	366 (61.0)	383 (63.8)	123 (20.5)	72 (12.0)	22 (3.7)	118 (19.7)	482 (80.3)
5	Post Office Savings	326 (54.3)	274 (45.7)	331 (55.2)	132 (22.0)	92 (15.3)	45 (7.5)	206 (34.3)	394 (65.7)
6	Government Securities	240 (40.0)	360 (60.0)	389 (64.8)	104 (17.3)	74 (12.3)	33 (5.5)	144 (24.0)	456 (76.0)
7	Recurring Deposit	309 (51.5)	291 (48.5)	310 (51.7)	130 (21.7)	101 (16.8)	59 (9.8)	226 (37.7)	374 (62.3)



It is observed from the above table that all the respondents were of savings account and invested 6 to 10% in savings account. The respondents who invest in saving account are satisfied. The next highest is bank fixed deposit (65.8%) and post office savings (54.3%). Majority of the respondents (61.0%) were unaware of National Savings Certificate and the percentage of respondents investing in National Savings Certificate is less (3.7%) and they are not satisfied regarding NSC.

HIGH RISK INVESTMENT AVENUES

An attempt has been made to know the level of awareness, amount of investment and satisfaction of the respondents about high risk investment avenues. For the purpose of this study, it has been classified into three categories viz., equity share market, commodities market and forex market. The details are furnished in the following table.

Table No. 2 High Risk Investment Avenues

S. No.	Investment Avenue	Aware		% of Investment				Satisfaction	
		Yes	No	No Investment	<5%	6-10%	>10%	Yes	No
1	Equity Share Market	311 (51.8)	289 (48.2)	343 (57.2)	121 (20.2)	93 (15.5)	43 (7.2)	165 (27.5)	435 (72.5)
2	Commodities Market	210 (35.0)	390 (65.0)	418 (69.7)	111 (18.5)	49 (8.2)	22 (3.7)	77 (12.8)	523 (87.2)
3	Forex Market	180 (30.0)	420 (70.0)	429 (71.5)	99 (16.5)	36 (6.0)	36 (6.0)	79 (13.2)	521 (86.8)

It is observed from the above table that the largest segments of the respondents were aware of equity share market and invested below 5% of their investment. The least investment is in commodities market (3.7%) and they are not satisfied. Majority (70%) of the respondents were unaware of the forex market and a large number of respondents had not invested in forex market.



MODERATE RISK INVESTMENT AVENUES

An attempt has been made to know the level of awareness, percentage of investment and satisfaction of the respondents about moderate risk investment avenues. For the purpose of this study, it has been classified into five categories viz., mutual funds, insurance, debenture, preference shares and bonds. The details are furnished in the following table.

Table No. 3 Moderate Risk Investment Avenues

S. No.	Investment Avenue	Aware		% of Investment			Satisfaction		
		Yes	No	No Investment	<5%	6-10%	>10%	Yes	No
1	Mutual Funds	296 (49.3)	304 (50.7)	368 (61.3)	104 (17.3)	86 (14.3)	42 (7.0)	157 (26.2)	443 (73.8)
2	Insurance	463 (77.2)	137 (22.8)	235 (39.2)	96 (16.0)	184 (30.7)	85 (14.2)	295 (49.2)	305 (50.8)
3	Debenture	157 (26.2)	443 (73.8)	445 (74.2)	97 (16.2)	33 (5.5)	25 (4.2)	72 (12.0)	528 (88.0)
4	Preference Shares	166 (27.7)	434 (72.3)	436 (72.7)	74 (12.3)	61 (10.2)	29 (4.8)	85 (14.2)	515 (85.8)
5	Bonds	181 (30.2)	419 (69.8)	437 (72.8)	71 (11.8)	59 (9.8)	33 (5.5)	93 (15.5)	507 (84.5)

The largest segment of the respondents invested in insurance (30.7%) and the percentage of investment is 6 to 10%. The respondents were not aware of debentures and most (74.2%) of respondents had not invested in debentures. Those who had invested in debentures were not satisfied.

TRADITIONAL INVESTMENT AVENUES

An attempt has been made to know the level of awareness, percentage of investment and satisfaction of the respondents about traditional investment avenues. For the purpose of



this study, it has been classified into three categories viz., real estate / property, gold / silver and chit funds. The details are furnished in the following table.

Table No. 4 Traditional Investment Avenues

S. No.	Investment Avenue	Aware		% of Investment				Satisfaction	
		Yes	No	No Investment	<5%	6-10%	>10%	Yes	No
1	Real Estate / Property	372 (62.0)	228 (38.0)	287 (47.8)	81 (13.5)	113 (18.8)	119 (19.8)	276 (46.0)	324 (54.0)
2	Gold / Silver	417 (69.5)	183 (30.5)	260 (43.3)	117 (19.5)	116 (19.3)	107 (17.8)	310 (51.7)	290 (48.3)
3	Chit funds	283 (47.2)	317 (52.8)	372 (62.0)	90 (15.0)	76 (12.7)	62 (10.3)	154 (25.7)	446 (74.3)

It is observed from the above table that the respondents who were aware of investment in gold / silver was 69.5% and they invested between 6-10% of their investment in gold / silver. They were satisfied with their investment. The respondents who were unaware of chit funds represent 52.8% and they invested less than 5% and were not satisfied. 19.8% of the respondents invested more than 10% of their income in real estate / property.

LEVEL OF SATISFACTION TOWARDS INVESTMENT

An attempt has been made to know the level of satisfaction towards investment of the respondents. For the purpose of this study, it has been classified into fifteen categories viz., rate of return, liquidity, safety and security, tax consideration, capital gains, growth, knowledge of agents, knowledge of officers, after sales service, customer care, maturity period, adequate information, grievance handling, rules and regulations and variety of schemes. The details are furnished in the following table.



Table No. 5 Level of Satisfaction towards Investment

S. No.	Factors	HS	S	N	DS	HDS	Mean Score
1	Rate of return	167 (27.8)	302 (50.3)	103 (17.2)	25 (4.2)	3 (0.5)	4.01
2	Liquidity	69 (11.5)	301 (50.2)	182 (30.3)	43 (7.2)	5 (0.8)	3.64
3	Safety & Security	175 (29.2)	297 (49.5)	101 (16.8)	17 (2.8)	10 (1.7)	4.02
4	Tax consideration	94 (15.7)	287 (47.8)	163 (27.2)	42 (7.0)	14 (2.3)	3.68
5	Capital gains	87 (14.5)	220 (36.7)	216 (36.0)	61 (10.2)	16 (2.7)	3.50
6	Growth	124 (20.7)	283 (47.2)	129 (21.5)	54 (9.0)	10 (1.7)	3.76
7	Knowledge of agents	71 (11.8)	186 (31.0)	223 (37.2)	93 (15.5)	27 (4.5)	3.30
8	Knowledge of officers	62 (10.3)	215 (35.8)	213 (35.5)	86 (14.3)	24 (4.0)	3.34
9	After sales Service	67 (11.2)	166 (27.7)	243 (40.5)	90 (15.0)	34 (5.7)	3.24
10	Customer care	62 (10.3)	213 (35.5)	228 (38.0)	68 (11.3)	29 (4.8)	3.35
11	Maturity period	81 (13.5)	308 (51.3)	159 (26.5)	37 (6.2)	15 (2.5)	3.67
12	Adequate information	100 (16.7)	245 (40.8)	180 (30.0)	59 (9.8)	16 (2.7)	3.59
13	Grievance handling	64 (10.7)	209 (34.8)	216 (36.0)	81 (13.5)	30 (5.0)	3.33
14	Rules and regulations	85 (14.2)	231 (38.5)	178 (29.7)	84 (14.0)	22 (3.7)	3.46
15	Variety of schemes	82 (13.7)	239 (39.8)	184 (30.7)	71 (11.8)	24 (4.0)	3.47



It is observed from the above table that maximum mean score of the respondents is (4.02). They were satisfied with 'safety and security' and minimum mean score is (3.24). The respondents were satisfied with 'after sales services' regarding the investment

FINDINGS

- Lawyers are highly aware of the low risk investment avenues like savings account, bank fixed deposits, post office savings and recurring deposits.
- Lawyers are also aware of traditional investment avenues which include gold / silver and real estate / property.
- They invest 6-10% in traditional avenues and most of them are satisfied investing in gold and silver.
- Engineers are highly aware of moderate risk avenues which include mutual fund and insurance.
- From the analysis, it can be elicited that most engineers prefer investing in insurance sector and they are satisfied with their investment.
- The engineers invest 6-10% of their income in the insurance sector.
- Accounting professionals are highly aware of high risk avenues, but prefer to invest only in the equity share market.
- The amount invested in the equity share market is less than 5

CONCLUSION

Investment is an important part of the economy of a nation especially developing countries like India. The highly educated and high income group play a very significant role in this aspect. May this research inspire and motivate the professionals in discharging their responsibility by contributing their earnings as investments for nation building.

- **“An investment in knowledge pays the best interest.”**
 - **- Benjamin Franklin**



A STUDY ON ORGANIC FOOD

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ABSTRACT

This paper is derived from a larger scale project investigating consumer attitudes towards organic food in the UK. Presents focus group results on consumer perceptions, attitudes and behavior in relation to two key interrelated food trends organic food and animal welfare. The results indicate that consumers often confuse organic and free-range products because they believe that “organic” is equivalent to “free-range” food. Focus group discussions were conducted to identify the main beliefs and attitudes towards organic food of both organic and non-organic food buyers. Results indicate that, although health and food safety concerns are the main motives for organic food purchases, ethical concerns, specifically in relation to standards of animal welfare, play a significant influencing role in the decision to purchase organic food. The results are consistent with parallel research into consumer concerns about animal welfare, which showed that consumers are primarily concerned about food safety issues.

INTRODUCTION

In recent decades, the role of ethical consumer goods rose as changing people's habits when selecting everyday products. More and more people began to base their buying habits on ethical values and to choose environmentally friendly products buying them from companies that comply with labor standards, provide favorable working conditions for employees and promote fundamental human rights. Therefore the aim of this research was to determine the factors that influence the intention to buy organic products. Based on the models of Tarkiainen, Sundqvist (2005), Ahmad, Juhdi (2010) and Zhen, Mansori (2012), the research model was developed. It identified the influence of consumer ethical beliefs, concern about product safety, concern about health, and two moderating variables product price and product availability, on the intention to buy organic products.



OBJECTIVES

1. To develop a sustainable agriculture system for guaranteed adequate food production in the foreseeable future.
2. To develop self-sufficient agriculture system this would rely as much as possible upon resources from within its own resources.
3. To develop an alternative strategy over chemical farming which would be a guideline for the working of biological processes in natural eco-systems



ADVANTAGES OF ORGANIC FOOD

- you're not ingesting deadly pesticides, poisons and herbicides
- keeps pesticides out of streams and ground water
- better tasting, more flavor
- no residual antibiotics or growth hormones in organic meat or milk
- no fillers are used to bulk up foods
- irradiation is used on non-organic foods to kill bacteria and it alters the molecular structure and live properties of the food
- organic food is non-GMO (genetically modified organism)
- pure - no artificial colors, flavors, additives, preservatives, sweeteners



- it is not processed
- supports local farms and farmers, and the local economy
- safer to eat for babies and children
- more healthy - higher nutrition content, more vitamins, minerals, essential fatty acids

FACTORS INFLUENCING INTENTION TO BUY ORGANIC PRODUCTS

In terms of an organic purchase of goods, the most often consumers identify and associate organic goods with ethical ones and base their purchase decision on the environmental values (Browne, 2000). Lindeman and Väänänen (2000) explained that the reasons to choose organic products fall into three dimensions ecological, political and religious motives. According to the authors, organic motives reflect an interest in animal health and environmental safety, and political – in the country of origin and human rights, while religious reasons – in the food acceptability according consumer religion. The research results revealed that concerns about environmental problems had the greatest and most important influence on the choice for organic goods; political considerations have also had a significant positive impact on organic goods. Meanwhile, religious motives are the weakest (Lindeman and Väänänen, 2000). Authors relate organic product consumption and purchase to people ethics through personal values and moral beliefs, commitments (Honkanen, 2006; Michaelidou, Hassan, 2010). In the scientific literature (Ferrell, Gresham, 1985; Hunt, Vitello 1993; Shaw, Clarke, 1999; Vitelli, Singhapakd, Thomas, 2001) it is also emphasized that certain consumer beliefs and attitudes have a significant impact on consumer behavior.

ORGANIC FOOD CONSUMPTION

Food production and consumption is exerting increasing pressure on the environment, in particular through water, energy, pesticide and fertiliser use. This publication looks at the impact of instruments directly targeting consumer choice concerning organic food consumption, such as organic labelling and raising awareness through public information campaigns. It provides a better understanding of the main motivations for consuming organic food. The importance of private considerations, like health concerns, is compared to the role of environmental motivations in households' decision to consume organic food. The book



also examines how much more households are willing to pay for organic food products compared to conventional ones.

Drawing upon a survey of over 10 000 households in ten OECD countries, the book provides new insights into key issues such as

- *Main motivations for consuming organic food.* As expected, high prices appear as the most important factor restricting market share. Results confirm the importance of private considerations, like health concerns, in households' decisions to consume organic food. Public considerations (*i.e.* protection of the environment or animal welfare) also have an influence.
- *Role of labelling at inducing organic food consumption.* Identification of relevant labels does not appear to be an issue in most countries surveyed, and almost half of respondents recognised organic labels, although with some variation across countries. Trust in labelling and certification seems to be key in the motivation to consume organic.
- *Differences in organic consumption behaviour across different household groups.* In line with previous evidence, only a small number of socio-demographic characteristics (*e.g.* age, education) are found to have a significant influence on organic food consumption. However, the factors which affect the choice to consume organic food at all or not seem to differ from those factors which affect relative consumption levels for those who purchase at least some organic food products. comprehension of organic labelling. Consumers who do not trust existing certification systems are not willing to pay much for organics.

REVIEW OF LITERATURE

The term “ethical consumption” still has no generally recognized and accepted definition (Romu, 2009). According to Crane (2001), and ethical product consists of many aspects that may have an impact on brand choice, like product safety, product impact on the environment, workers' conditions, discrimination, fair price, and similar. The concepts of “Ethical” researchers perceive and interpret differently, making it difficult to define what ethical consumption is. Smith (1990) defines the ethical purchase as an individual moral decision and buying behavior expression. Crane (2001) argues that the main essence of the concept of ethical consumption.



Very often ethical products are named as organic products because term and identification sign „Organics“ for most users is associated with the issues in both social and environmental aspects. A study conducted during Makatouni (2002) identified four broad categories, as most consumers perceive and define organic products. Organic food is perceived by its composition (no harmful, modified ingredients are used), method of production (food is grown only in natural conditions with minimal impact to the environment), represented values (safe and healthy) and even social class (upper and medium) (Michaelidou, Hassan, 2008; Davis *et al.*, 1995). On the basis of studies, one of the main motivators in choosing ethical products is the values with which people associate organic products (Makatouti, 2002; Michaelidou, Hassan, 2008; Kraft, Goodel, 1993) and the main value which drives people opt for organic food is its health and safety.

RESULTS

Total survey questioned 251 women, representing 61.8% of all respondents, and 155 men, representing 38.2% of the respondents. 83.3% of the already purchased organic products, 3.9% of them did not, and 12.8% did not remember of doing so or did not know what is an organic product. The largest share of respondents consists of consumers from 18 to 25 years of age – 116 respondents, or 28.6% of all study participants, and consumers falling into the 26-30 age category -110 respondents (or 27.1%). Assessing the respondents' answers on ethics, health concern, concerns about product composition, respondents were more likely to agree that these factors are important.





CONCLUSION

ORGANIC products give parents a healthy choice when it comes to their baby's nutrition. As quoted from Professor Vyvyan Howard, a medical toxico-pathologist from the United Kingdom "One of the most effective ways to reduce exposure to toxic substances is to eat organic food. It could be the single most useful thing a mother can do to give her baby a good start in life."With neuro-behavioral disorders such as autism and ADHD on the rise, it is becoming increasingly important to protect children from exposure to harmful substances that could affect their development and pose life-threatening risks to their health. There are many benefits of choosing organic foods and products. These include higher levels of antioxidants than conventional foods as well as less or absence of harmful chemicals and preservatives.

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PSYCHOLOGICAL FACTORS AFFECTING INVESTMENT DECISION MAKING

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INTRODUCTION

Investing is the act of committing money or capital to an endeavour (a business, project, real estate, etc.) with the expectation of obtaining an additional income or profit. An investor is someone who provides (or invests) money or resources for an enterprise, such as a corporation, with the expectation of financial or other gain. One of the most compelling reasons to invest is the prospect of not having to work entire life. There are only two ways to make money by working and/or by having money to work. By keeping money in the back pocket instead of investing it, money doesn't work for us and we will never have more money than what we save. By investing the money, we get our money to generate more money by earning interest or by buying and selling assets that increase in value.

The objective is to make investments that will generate more cash in the future. As they say, "Money isn't everything, but happiness alone can't keep out the rain." Most financial theory is based on the idea that everyone takes careful account of all available information before making investment decisions. But there is much evidence that this is not the case. Investors fall prey to important logical fallacies and psychological failings. There are various factors that influence the individual investor's behaviour in investment. Some factors affect majorly while other have slight role in influencing the behaviour of an individual investor. The factors can be classified into demographic, economic, social, and psychological in nature. The most general factors that have a significant impact on the investors' behaviour are herding, over-reaction, cognitive bias, confidence (over or under), gender, age, income, education, risk factor, dividends, influence of people's opinion (friends or family), past performance of the company, accounting information, ownership structure, expected corporate earnings.



PSYCHOLOGICAL FACTORS

There are various psychological factors affecting the investment decisions of an individual. This includes Mental Accounting, Over Confidence, Availability Heuristics, Cognitive Dissonance, Regret Aversion, Anchoring On Historical Price, Anchoring On Purchase Price, Anchoring On Historical Perception, Disposition Effect, Attitude Towards Money, Greed, Dependence Behaviour, Fear, Attitude Towards Investment, Attitude Towards Financial Planning, Perception About Financial Security and Representativeness. The psychological pressures impact investors' decisions under conditions of uncertainty in a very predictable manner, not only in the marketplace, but in virtually every aspect of their lives. The bottom line is that these powerful forces lead most people to make the same mistakes time and again. Investor behaviour and interest to participate in markets is influenced by, among other things, work experience in finance, objective of the investment, tools used to invest, the proportion to invest, duration of investment, expected returns and availability of information on investment.

In the study done by Beryl Y Chang showed that changes in regulation, technology development, and industry innovations since the 1990s had made striking imprints in the financial market and changes in population disposition in the investment space in an economy in terms of trading volumes, volatilities, and asset prices represented by the S&P 500 Index. Nonetheless, these extraordinary movements shifted further away from the fundamentals defined by the performance of the asset and the economy, such as dividend and interest rate, and more in tune with human sentiments measured by confidence and volatility indices. Indeed, human emotions and biases due to cognitive limitations had not only dominated the market in the past decades, but also intensified the effects of the expansions and contractions in the economy driven by deregulation and other industry development in a free market system in the context of a dynamic global market as shown in the qualitative analyses in the study and quantitative evaluations in the neural network modelling.(Chang, 2010) ¹.

1Overconfidence has positive impact on the investment performance. In the uncertainty, the overconfidence can be useful for the investors to do difficult tasks and help them to forecast

¹ Chang, B. Y. (2010). *The Impact of Human Factors on Economic Booms and Busts with a Global Perspective*. 10th Global Conference on Business & Economics (pp. 1-37). Rome: ABER.



the future trends. But overconfident traders tend to underestimate the associated risks of active stock investment, which can affect badly to their investment result. Herding also has positive impact on investment performance. Forums can be established to support investors in finding reliable information. The prospect factors (loss aversion, regret aversion, and mental accounting) impact negatively to investment performance. (Ha, 2011)²

Since the market actors appear irrational, it is also understandable that people – lay people and experts alike – believe that psychological factors play a decisive role (Akerlof, 2009).³ However, psychological factors are not necessarily “irrational” but represent the way people process information and act upon it. The contribution of psychology is to find the regularities – heuristics and biases – in people’s perceptions and decisions that account for economic behaviour.

The late Herbert Simon, Ph.D. in Political Science, Professor of Psychology at Carnegie-Mellon University and in 1978 Nobel laureate in economics, argued that people are bounded rational (H.A, 1956) (H.A, Models of bounded rationality vol2, 1982) (H.A, Invariants of human behaviour, 1990). Not surprisingly considering the long evolutionary history of human beings, people use their resources in sensible ways to adjust to the prevailing situational demands. Such demands to judge probabilities and to make decisions are however occasionally beyond their capacity. Many contemporary scholars in behavioural finance believe that in financial markets people are frequently not capable of acting rationally (H.M, 1999)⁴. The late Amos Tversky and Daniel Kahneman, another Nobel laureate in economics, have empirically shown this.

It was found that attitudes, subjective norms, perceived behavioural control, and risk propensity were significant predictors of investment intentions.

² Ha, L. P. (2011). Behavioral factors influencing individual decision making and performance. UMEA university.

³ Akerlof, G. S. (2009). Animal spirits. Princeton NJ: Princeton university press.

⁴ H.M, S. (1999). Beyond greed and fear: Understanding behaviour finance and the psychology of investing. harvard business school press.



MENTAL ACCOUNTING

Mental accounting is the set of cognitive operations used by individuals and households to organize, evaluate, and keep track of financial activities. (Thaler, 1999)⁵

An economic concept established by economist Richard Thaler, which contends that individuals divide their current and future assets into separate, non-transferable portions. The theory purports individuals assign different levels of utility to each asset group, which affects their consumption decisions and other behaviors. (Thaler.R, 1985)⁶

The importance of this theory is illustrated in its application towards the economic behaviour of individuals, and thus entire populations and markets. Rather than rationally viewing every rupee as identical, mental accounting helps explain why many investors designate some of their money as "safety" capital which they invest in low-risk investments, while at the same time treating their "risk capital" quite differently.

Three components of mental accounting receive the most attention. This first captures how outcomes are perceived and experienced, and how decisions are made and subsequently evaluated. The accounting system provides the inputs to be both ex ante and ex post cost-benefit analyses. A second component of mental accounting involves the assignment of activities to specific accounts. Both the sources and uses of funds are labeled in real as well as in mental accounting systems. Expenditures are grouped into categories (housing, food, etc.) and spending is sometimes constrained by implicit or explicit budgets. The third component of mental accounting concerns the frequency with which accounts are evaluated and 'choice bracketing'. Accounts can be balanced daily, weekly, yearly, and so on, and can be defined narrowly or broadly. Each of the components of mental accounting violates the economic principle of fungibility. As a result, mental accounting influences choice, that is, it matters. (Thaler, 1999)⁷

AVAILABILITY HEURISTICS

Availability is a cognitive heuristic in which a decision maker relies upon knowledge that is readily available rather than examine other alternatives or procedures.

⁵ Thaler, R. H. (1999). *Mental accounting matters*. *Journal of Behavioral Decision Making* , 183-206.

⁶ Thaler.R. (1985). *Mental Accounting and consumer choice*. *Marketing Science* , 199-214.

⁷ Thaler, R. H. (1999). *Mental accounting matters*. *Journal of Behavioral Decision Making* , 183-206.



There are situations in which people assess the frequency of a class or the probability of an event by the ease with which instances or occurrences can be brought to mind. For example, one may assess the risk of heart attack among middle-aged people by recalling such occurrences among one's acquaintances. Similarly, one may evaluate the probability that a given business venture will fail by imagining various difficulties it could encounter. This judgmental heuristic is called availability. Availability is a useful clue for assessing frequency or probability, because instances of large classes are usually reached better and faster than instances of less frequent classes. However, availability is affected by factors other than frequency and probability. Consequently, the reliance on availability leads predictable biases. (Tversky, 1974)⁸

Some research, such as Barber and Odean (Brad M. Barber, 2008) has indicated that investors prefer stocks that grab their attention, which can lead to systematic errors and investing mistakes. Here are two older posts exploring this idea Don't Pay Attention to CNBC CEO Interviews!, Media Coverage and Stock Returns .Media coverage reinforces our availability bias causing us to overreact to news and under act to continuous information. Investors make decisions based on memorable or sensational news stories, but they pay less attention to the ongoing flow of mundane information arriving continuously in small amounts, consistent with frog in the pan theory. There is another example cited from David G. Myers "Do We Fear the Right Things?" This may have something to do with our tendency towards hyperbolic discounting or present bias in the context of loss aversion, but also has some availability roots. We fear what's immediate, since it's available. Similarly, we can overreact to discrete sensational news items, which are also highly available (David.G.Myers, 2001).⁹

Frog in pan theory states that limited cognitive resources can prevent investors from immediately processing all available information motivated by the notion that a series of gradual changes attracts less attention than sudden dramatic changes. It is continuous information that induces stronger and more persistent return continuation than discrete information, and it does not reverse in the long run, consistent with limited

⁸ Tversky, K. (1974). Judgment under Uncertainty: Heuristics and Biases. *JSTOR* , 1124-1131.

⁹ David.G.Myers. (2001). Do We Fear the Right Things? *Observer* .



attention to continuous information. Eye-catching news stories, may generate abnormal returns in the near-term, but appear to exhibit strong reversion over the ensuing trading days (Zhi Da, 2014).¹⁰ "Human emotions were road tested in the Stone Age," which is how David Myers put it. Human beings, based on a millennium of evolution, are simply wired to be emotional and behaviourally biased. This leads to some surprising outcomes in our risk/benefit measurements.

Shelor et al. (1992) studied the 1989 California Earthquake, a natural disaster which led to catastrophic damage, and billions in losses. They pointed out that such unexpected natural disasters are also a nightmare for the insurance industry, since insurers had to cover the losses. However, the stock prices of insurance industry increased significantly after the earthquake. It was theorized that such abnormal returns were based on investors' expectations. Investors believed that the earthquake would lead to subsequent increased demand for insurance, as people overestimated the likelihood of another earthquake, and the increased demand for coverage would not only offset insurer's losses but lead to long-term financial benefits for insurance industry. In this case, as before, people tend to overestimate the frequency and possibility of an event since they are so heavily influenced by availability bias. (Roger M. Shelor, 1992)

COGNITIVE DISSONANCE

The word "cognition" implies simply the knowledge. However in a broader sense it implies the whole process of acquiring knowledge including the analysis of the acquired knowledge and to apply that acquired knowledge to the new information to form new knowledge. According to Psychology there are three types of learning, viz. cognitive, conative and affective. The cognitive learning is the process of learning by different mental activities like memorizing, thinking, analyzing, choosing, formation of attitudes or beliefs etc. Thus cognitive method is considered as one of the methods of acquiring knowledge by a human being. However we can say that the word "cognitive" does not necessarily mean to acquire knowledge or the process of learning but also includes the whole mental process starting from acquiring knowledge to understanding the acquired knowledge, application of that knowledge in real life situations and also to analyse and interpreting new information in

¹⁰ Zhi Da, U. G. (2014). Frog in the Pan: Continuous Information and Momentum. *Published by Oxford University Press on behalf of The Society for Financial Studies.*



the light of that knowledge to form new knowledge base. Again the other term “Dissonance” means an inconsistency or disharmony. It arises due to conflict between two points which we may say as the standard and the actual. The standard is the already having beliefs or knowledge (cognition) and when one has to do something inconsistent with those standard set the discomfort arises and this is termed as the cognitive dissonance. It is to be noted that cognitive dissonance is nothing but a feeling of discomfort or disharmony resulting from the contradiction with the set beliefs or attitudes.

Leon Festinger postulated that if individuals are presented with conflicting cognitions (pieces of knowledge); they suffer distress and feel compelled to change one of these cognitions. They either avoid information that is likely to increase dissonance or select information that is consistent with their prior beliefs. In particular, individuals tend to have a positive self-image and do not want to feel incompetent. (Leon, 1957)¹¹. Thus, information that conflicts with the positive self-image tends to be ignored, rejected, or misinterpreted, or the conflict is resolved by changes in other beliefs (Harmon-Jones, 1999).¹² For example, persons who have made decisions often tend to discard information that would suggest that the decisions were made in error. In general, the potential for cognitive dissonance can lead to the avoidance of information that could be inconsistent with one’s beliefs and attitudes. (Bernhard Eckwert, 2005)¹³ Biases in decision making—including the effects of cognitive dissonance—may be particularly prevalent in financial market settings, since investors are confronted with complex and ambiguous evidence, and they have to selectively collect and interpret information. When faced with complex and ambiguous evidence, agents tend to overstate the strength of confirming information and to downplay the reliability of conflicting evidence (Matthew, 1998).¹⁴

Almost all the people faces with the situation of cognitive dissonance every now and then and some people face it regularly. The factors which signifies the presence of

¹¹ Leon, F. (1957). *A Theory of Cognitive Dissonance*. California: Stanford University press.

¹² Harmon-Jones, E. a. (1999). An Intorduction to Cognitive Dissonance Theory and an Overview of Current Perspective on the theory. *Cognitive Dissonance : Progress on a Pivoatal Theory in Social Psychology* .

¹³ Bernhard Eckwert, B. D. (2005). *Asset Mispricing due to Cognitive Dissonance*. International Monetary Fund.

¹⁴ Matthew, R. (1998). Psychology and Economics. *Journal of Economic Literature* vol 36 , 11-46.



Ignores new information The persons with cognitive dissonance always try to overlook cognitive dissonance differs from one person to the other. However some of the signs of this unpleasant behaviour are stated below. New information which is contradictory to their beliefs or behaviour. Their psychology doesn't want to degrade their value of beliefs or decisions already made in the light of the new information.

Overconfidence in own decisions The cognitive dissonance may be seen from overconfidence in own past decisions. They are very confident about their decisions and don't want to prove them wrong. An example of such situation is that some investors don't like to sell their holdings even if they are not performing well for a long time. They just try to convince themselves that they have not made a wrong investment decision although the latest information is showing that clearly

Biased interpretation of news The persons interpret any news about their decisions in a biased way. They just try to see that side of the news which supports their behaviour and although they have got the other side too, they just give less importance to that part. In simple words they like to accept or hear that news which is consonant with their beliefs or behaviours or decisions. For example the financial indicators of a mutual fund is showing that SBI mutual fund has performed well in past few months but this trend is not supposed to continue in coming years. (Sharma, 2014)¹⁵

OVER CONFIDENCE

Overconfidence hypothesis states that normally people have active psychological bias about their abilities. They either overestimate their abilities or underestimate other ability or difficulty of the task (Fowler, 2011).¹⁶ Barber and Odean argue that the illusion of control (e.g., people believe that they can influence the outcome of chance events), the illusion of knowledge (e.g., when people have far more data, they believe that they are more knowledgeable than they really are), and self-attribution bias (e.g., people tend to attribute their success to their own abilities while attribute their failure to bad luck) drive investors to be overconfident. Overconfident investors are known to trade more frequently and have

¹⁵ Sharma, A. J. (2014). Understanding Cognitive Dissonance-The Behavioural Finance Principle . *IRACST – International Journal of Commerce, Business and Management* , 18-27.

¹⁶ Fowler, D. D. (2011). The evolution of overconfidence. *Research Letter Macmillan Publishers Limited.* , 317-320.



negative abnormal returns amongst stock market traders, especially when they are less experienced yet successful (Odean, 2001).¹⁷ So they are overconfident about their abilities, accuracy of their possessed knowledge (Frank, 1935).¹⁸ For people at the extremes of this dimension, confidence is poorly calibrated inasmuch as it is markedly lower or higher than is warranted by the accuracy of the corresponding judgements, and such a mismatch between confidence and accuracy is a common and well-established finding. (S. Lichtenstein, 1982)¹⁹. As a result of overconfidence, investors trade to their detriment. Because these behaviours reduce investor welfare, understanding them is important for investors and for those who advise them. (Odean B. M., 1999). Overconfident investors may trade even when their expected gains through trading are not enough to offset trading costs. In fact, even when trading costs are ignored, these investors actually lower their returns through trading. (Odean T. , 1999).²⁰

Good past performance may boost the future expectation of the investor there by instigating him to be overconfident and that might lead to a complete disaster as De Bondt and Thaler found that there is a tendency of past winners to face loss to become future losers and vice versa. (Bondt & Thaler, Does the Stock Market Overreact?, 1984)²¹

CONCLUSION

Everybody has biases. We make judgments about people, opportunities, and the markets. When we analyze our world without knowing about these biases, we put our observations through a number of filters manufactured by our experiences. It's impossible to be unbiased in our decision-making. However, we can mitigate those biases by identifying and creating trading and investing rules - but only if we know what to look for. The only way to minimize bias is to set objective trading rules and never deviate. Overriding your emotions is a difficult task and takes time to develop. Professional traders, however, have learned that it's the only way to make money in the markets.

¹⁷ Odean, B. M. (2001). *Boys will be boys: gender, overconfidence, and common stock investment*. *The Quarterly Journal of Economics* , 261-292.

¹⁸ Frank, J. D. (1935). Some Psychological Determinants of the level of aspiration. *American Journal of Psychology* , 285-293.

¹⁹ S. Lichtenstein, B. F. (1982). Calibration of Probabilities: The State of the Art to 1980. *Judgement under Uncertainty: Heuristics and Biases* .

²⁰ Odean, T. (1999). Do Investors Trade Too Much? *THE AMERICAN ECONOMIC REVIEW* , 1279-1289

²¹ Bondt, W. F., & Thaler, R. (1984). Does the Stock Market Overreact? *The Journal of Finance* , 793-803.



A STUDY ON SALES TREND AND COST STRUCTURE ANALYSIS OF SELECTED SUGAR COMPANIES IN TAMIL NADU

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INTRODUCTION

The Sugar Industry in Tamil Nadu plays a vital role in the economic development of the State and particularly in rural areas. Tamil Nadu is one of the leading producers of sugar in the country and its contribution is about 7% of country's total sugar production. As on 31.5.2011, there are 34 sugar mills in Tamil Nadu of which 15 sugar mills are in cooperative sector, 2 in public sector and 19 in private sector.

OBJECTIVES OF THE STUDY

1. To study the growth and development of Sugar industry in Tamil Nadu.
2. To find out the Sales trend and Cost Structure analysis of selected sugar companies in Tamil Nadu.
3. To suggest that effective measure and recommendations for the improvement of Sugar Industry.

METHODOLOGY

Research is a process of a systematic and in-depth study or search of any particular topic, subject or area of investigation, backed by the collection, compilation, presentation and interpretation of relevant details or data.

DATA ANALYSIS AND INTREPRETATION

TRENDS IN SALES

'Sales' is the value of output supplied to the customers. The higher volume of sales is more efficient the management. A sale is also related to profitability of an enterprise.. The



matching of costs incurred during a certain period with sales generated during that period reveals the net income or net loss.

TABLE 4.1 - AN ANALYSIS OF TREND VALUES OF SALES DURING THE YEAR FROM 2003 TO 2012

	(Value Rs. In Crores)		
Year	Sakthi Sugars Limited	EID - Parry Limited	Bannari Amman Sugars Limited
2003	315.69	1345.93	324.1
	(100.00)	(100.00)	(100.00)
2004	285.73	609.51	426.66
	(90.51)	(45.29)	(131.64)
2005	597.98	766.42	433.22
	(189.42)	(56.94)	(133.67)
2006	833.98	978.46	545.81
	(264.18)	(72.70)	(168.41)
2007	690.56	583.23	688.26
	(218.75)	(43.33)	(212.36)
2008	1047.56	679.75	564.23
	(331.83)	(50.50)	(174.09)
2009	1209.59	813.51	733.54
	(383.16)	(60.44)	(226.33)
2010	1405.29	1185.76	903.52
	(445.15)	(88.10)	(278.78)
2011	2166.46	1298.46	844.78
	(686.26)	(96.47)	(260.65)
2012	1122.05	1591.88	1211.62
	(355.43)	(118.27)	(373.84)
Mean	967.489	985.291	667.574
SD	177.90	26.09	82.55
CV	18.39	2.65	12.37
AGR (%)	255.43	18.27	273.84
CAGR (%)	15.13	1.88	15.78



The Actual value of sales in selected sugar companies in Tamilnadu has shown in Table 4.1. The Table 4.1 depicts that the average sales trend of sugar companies under study showed a fluctuating trend during the study period. The average sales among the sugar companies were the maximum of Rs. 985.291 crores in EID Parry and next to Rs. 967.489 crores in SSL and Rs. 667.574 crores in BASL. The standard deviation of 177.90 in SSL shows a high fluctuation in trend value of among other selected companies under study. The coefficient of variation has found to be the maximum of 18.39 per cent in SSL and minimum of 2.65 per cent in EID Parry. The AGR was the maximum of 273.84 per cent in BASL and minimum of 18.27 per cent in EID Parry. The CAGR has the positive values among the selected Sugar companies and the maximum has found that 15.78 per cent in BASL and the minimum of 1.88 per cent in EID Parry.

COST STRUCTURE ANALYSIS

Cost structure analysis is a common process for production manufacturing companies. Different cost structure analysis methods used a review on the types of costs, cost behaviour, and break-even analysis. Each method focuses on a different part of the company's business activities in order to define how efficiently and effectively the company completes activities

TOTAL COST

The Actual value of total cost in selected sugar companies in Tamilnadu has shown in Table 4.2. The Table 4.2 depicts that the average total cost trend of sugar companies under study showed a fluctuating trend during the study period. The average total cost among the sugar companies were the maximum of Rs. 1021.127crores in EID Parry and next to Rs. 988.358crores in SSL and Rs. 622.701crores in BASL. The standard deviation of 180.98 in SSL shows a high fluctuation in trend value of among other selected companies under study. The coefficient of variation has found to be the maximum of 18.31 per cent in SSL and minimum of 2.62 per cent in EID Parry. The AGR was the maximum of 259.51 per cent in SSL and minimum of 24.48 per cent in EID Parry. The CAGR has the positive values among the selected Sugar companies and the maximum has found that 15.28 per cent in SSL and the minimum of 2.46 per cent in EID Parry.



**TABLE 4.2 - AN ANALYSIS OF TREND VALUES OF TOTAL COST DURING
 THE YEAR FROM 2003 TO 2012**

(Value Rs. In Crores)			
Year	Sakthi Sugars Limited	EID - Parry Limited	Bannari Amman Sugars Limited
2003	322.62	1363	353.27
	(100.00)	(100.00)	(100.00)
2004	328.37	605.43	353.27
	(101.78)	(44.42)	(100.00)
2005	584.29	663.59	353.27
	(181.11)	(48.69)	(100.00)
2006	721.94	821.67	353.27
	(223.77)	(60.28)	(100.00)
2007	720.17	777.05	629.03
	(223.23)	(57.01)	(178.06)
2008	1104.06	761.2	610.45
	(342.22)	(55.85)	(172.80)
2009	1283.02	975.21	591.04
	(397.69)	(71.55)	(167.31)
2010	1418.36	1157.96	706.56
	(439.64)	(84.96)	(200.01)
2011	2240.91	1389.51	1089.58
	(694.60)	(101.94)	(308.43)
2012	1159.84	1696.65	1187.27
	(359.51)	(124.48)	(336.08)
Mean	988.358	1021.127	622.701
SD	180.98	26.76	86.24
CV	18.31	2.62	13.85
AGR (%)	259.51	24.48	236.08
CAGR (%)	15.28	2.46	14.42
* Figures in the parenthesis indicate percentage value.			
Source Computed from Annual Report of the respective companies			



RAW MATERIAL COST

The Raw material cost in selected sugar companies in Tamilnadu has shown in Table 4.3. The Table 4.3 depicts that the average Raw material cost of sugar companies under study showed a fluctuating trend during the study period. The average Raw material cost among the sugar companies were the maximum of 63.85 per cent in SSL and next to 62.24 per cent in BASL and 54.98 per cent in EID Parry. The standard deviation of 13.69 in EID Parry shows a high fluctuation in value of among other selected companies under study. The coefficient of variation has found to be the maximum of 24.91 per cent in EID Parry and minimum of 13.99 per cent in SSL. The AGR was the maximum of 100.97 per cent in EID Parry and minimum of 3.15 per cent in BASL. The CAGR has the positive values among the selected Sugar companies and the maximum has found that 8.06 per cent in EID Parry and the minimum of 0.34 per cent in BASL.



TABLE 4.3 - RAW MATERIALS, STORES AND SPARES COST OF SELECTED SUGAR COMPANIES
(Values in Percentage)

Year	Sakthi Sugars Limited			EID- Parry Limited			Bannari Amman Sugars Limited		
	Cost	Sales	% as Sales	Cost	Sales	% as Sales	Cost	Sales	% as Sales
2003	165.94	315.69	52.56	472.85	1345.93	35.13	206.05	324.1	63.58
2004	211.76	285.73	74.11	282.59	609.51	46.36	235.35	426.66	55.16
2005	371.39	597.98	62.11	291.61	766.42	38.05	239.64	433.22	55.32
2006	449.16	833.98	53.86	382.63	978.46	39.11	271.14	545.81	49.68
2007	424.53	690.56	61.48	464.2	583.23	79.59	432.00	688.26	62.77
2008	573.13	1047.56	54.71	478.54	679.75	70.40	435.71	564.23	77.22
2009	674.18	1209.59	55.74	447.02	813.51	54.95	404.83	733.54	55.19
2010	1076.39	1405.29	76.60	658.12	1185.76	55.50	464.53	903.52	51.41
2011	1649.82	2166.46	76.15	780.1	1298.46	60.08	730.57	844.78	86.48
2012	799.31	1122.05	71.24	1123.93	1591.88	70.60	794.55	1211.62	65.58
Mean	639.56	-	63.85	538.16	-	54.98	421.44	-	62.24
SD	416.01	-	8.94	254.57	-	13.69	189.40	-	11.77
CV	65.05	-	13.99	47.30	-	24.91	44.94	-	18.91
AGR (%)	381.69	-	35.52	137.69	-	100.97	285.61	-	3.15
CAGR (%)	19.09	-	3.44	10.10	-	8.06	16.18	-	0.34

Source Computed from Annual Report of the respective companies



FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS

SALES TREND ANALYSIS

The average sales trend of sugar companies under study showed a fluctuating trend during the study period. The average sales among the sugar companies were the maximum of Rs. 985.291 crores in EID Parry and next to Rs. 967.489 crores in SSL and Rs. 667.574 crores in BASL. The CAGR has the positive values among the selected Sugar companies and the maximum has found that 15.78 per cent in BASL and the minimum of 1.88 per cent in EID Parry.

COST STRUCTURE ANALYSIS

1. The average total cost trend of sugar companies under study showed a fluctuating trend during the study period. The average total cost among the sugar companies were the maximum of Rs. 1021.127crores in EID Parry and next to Rs. 988.358crores in SSL and Rs. 622.701crores in BASL. The AGR was the maximum of 259.51 per cent in SSL and minimum of 24.48 per cent in EID Parry. The CAGR has the positive values among the selected Sugar companies and the maximum has found that 15.28 per cent in SSL and the minimum of 2.46 per cent in EID Parry.
2. The average Raw material cost of sugar companies under study showed a fluctuating trend during the study period. The average Raw material cost among the sugar companies were the maximum of 63.85 per cent in SSL and next to 62.24 per cent in BASL and 54.98per cent in EID Parry. The CAGR has the positive values among the selected Sugar companies and the maximum has found that 8.06 per cent in EID Parry and the minimum of 0.34 per cent in BASL.

SUGGESSTIONS

1. In order to increase the financial efficiency of the companies, it is suggested to control the cost of goods sold and operating expenses. The management should try to adopt cost reduction techniques in their companies to get over this critical situation.



2. To reduce power and fuel cost, Company should find out other alternatives for this. The management should try to utilize their production capacity fully in order to reduce factory overheads and to utilize their fixed assets properly.
3. For regular supply of raw materials selling final product and infrastructure facilities require further improvement.

CONCLUSION

This study will disclose how sales trend and cost structure analysis of selected sugar companies in India. The cost structure of the sugar companies includes the major components of raw materials, power and fuel and water . Adoption of modern technology, cost reduction and cost control, innovation and R & D support to the industry will play a major role to address the various challenges faced by the industry.



RELATIONSHIP BETWEEN MOTIVATIONAL PRACTICES AND OCB WITH SPECIAL REFERENCE TO EMPLOYEES OF MANUFACTURING INDUSTRIES IN COIMBATORE DISTRICT

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INTRODUCTION

In today's rapidly changing corporate environment, organizations want to use maximum potential of their human resources to stay ahead of the fierce competition and survive. Great organizations are built on the inherent values of their human resources, as motivated and committed employees almost always allow an organization to grow faster than similar competitive organizations. Well motivated and committed workforces feel that organizations value them and they play an essential role within their organization which significantly enhances both employees' as well as organizational performance¹. Motivated and committed employees with high levels of job involvement are considered as an important asset to an organization. Keeping the employee motivated, committed with high job involvement are always rewarding to a business as motivated and committed employees are more productive and higher productivity usually results in higher profits².

In a manufacturing industry such as automobile, pump, textile, engineering and sugar industries, employees who are highly motivated and committed to the organization provide excellent quality of services keeping the customer happy and satisfied which is always positive for a business. Employees with high job involvement are more focused towards their jobs³, likely to have less turnover and leaving intentions,⁴ and are motivated to stay with the organization⁵.

¹ Shore, L. M., & Martin, H. J. (1989). Job satisfaction and organizational commitment in relation to work performance and turnover intentions. *Human Relations*, 42(7), 625-638.

² Denton, K. (1987). Effective Appraisals: Key to Employee Motivation. *Industrial Engineering*, 19(12), 24.

³ Hackett, R. D., Lapierre, L. M., & Hausdorf, P. A. (2001). Understanding the links between work commitment constructs. *Journal of Vocational Behavior*, 58, 392-413.



MOTIVATIONAL PRACTICES

Employee motivational practices are a great way to create excitement. Motivational practices can be cutting edge creative and new. Or the organization may just use techniques with a proven track record. The organization would like to have employees who would be willing to do anything that is asked, at the same time being highly productive and efficient. The reality is that organisations may have only one or two such employees. Therefore organisation faces the problem of creating employee motivation in the workplace.

ORGANIZATIONAL CITIZENSHIP BEHAVIOUR

Chester Bernard⁶ observed the phenomenon of organizational citizenship behavior in the 1930's and named it "extra-role behavior". Later on Katz⁷ used the term "citizenship" to represent the workers who showed "extra-role behaviours". Employees who show "citizenship behaviour" are valued by their managers, because they make their jobs easier.

RELATIONSHIP BETWEEN MOTIVATION AND OCB

OCB has a very strong link with individual and organizational performance, impacts the effectiveness and efficiency of workers and organizations and therefore contributes to the overall productivity of the organization, without any extra expenses. According to researches an individual's motivation can be related to his or her organizational citizenship behavior and therefore a significant relationship were expected between employee OCB's and their sources of motivation. OCB is an effective way of using human capital to determine organizational performance where people provide organizations an important source of sustainable competitive advantage. The importance for organizations is that people carry out extra activities that are not formally written down. But because the tasks are not formally written down there is a certain overlap between tasks of employees, which the employees should be

⁴ Meyer, J. P., Allen, N. J. & Smith, C.A. (1993). Commitment to Organizations and Occupations: Extension and Test of a Three-Component Conceptualization. *Journal of Applied Psychology*, 78(4), 538-552.

⁵ Bashaw, R.E., & Grant, E.S. (1994). Exploring the distinctive nature of work commitments: Their relationships with personal characteristics, job performance, and propensity to leave. *Journal of Personal Selling & Sales Management*, 14(2), 1-16.

⁶ Barnard, C. (1938). *The functions of the executive*. Cambridge: Harvard Press.

⁷ Katz, D. (1964). Motivational basis of organizational behavior. *Behavioral Science*, 9, 131-146.



willing to carry out by Katz⁸. He also explained that organizations cannot anticipate with exact accuracy all those activities essential for reaching objectives.

OBJECTIVES OF THE STUDY

To study the relationship between motivational practices and organizational citizenship behavior among employees of manufacturing industries in Coimbatore

Sample Design and Size

The researcher collected the primary data relating to the motivational practices and organization citizenship behaviour among employees working in manufacturing companies. In Coimbatore district, 314 companies were listed under the manufacturing companies (www.fundoodata.com). For ease of collecting data, the researcher planned on a criterion for limiting the number of companies, i.e., the companies having turnover of Rs.500 to 1000 crores during the financial year 2012-2013, employing more than 500 people and covering maximum number of industrial sectors. 9 companies satisfied this criteria and had 21428 employees⁹.

STATISTICAL TOOLS USED FOR ANALYSIS

Correlation and regression analysis and was used to examine the relationship between motivational practices and OCB.

LIMITATIONS OF THE STUDY

- a) The respondents chosen for the study were based on convenience.
- b) As a field study, the research was mainly based on self-perceived motives and beliefs, which is not sufficient to build a comprehensive picture of motivation

DATA ANALYSIS AND INTERPRETATION

The motivational practices have been categorized into 10 heads viz., safety and security, provision of welfare measures, monetary benefits, promotion and transfer, work

⁸ Katz, D. (1964). Motivational basis of organizational behavior. *Behavioral Science*, 9, 131-146.

⁹ www.fundoodata.com



efficiency, employee interpersonal relationship, social relationship, grievance handling procedures, training and development and performance management system and OCB has been classified into 3 heads viz., job satisfaction, organizational commitment and employee performance.

DEGREE OF ASSOCIATION BETWEEN MOTIVATIONAL PRACTICES AND OCB – CORRELATION ANALYSIS

Correlation analysis was applied to identify the degree of relationship between the independent variables which include Safety & Security, Provision of Welfare Measures, Monetary Benefits, Promotion & Transfer, Work Efficiency, Employee Interpersonal Relationship, Social Relationship, Grievance Handling Procedures, Training and Development and Performance Management System and the dependent variables job satisfaction, organizational commitment and employee performance.

TABLE 1 - DEGREE OF ASSOCIATION BETWEEN MOTIVATIONAL PRACTICES AND OCB

No.	Motivational Factors	Job Satisfaction	Organizational Commitment	Employee Performance
1	Safety & Security	0.600**	0.585**	0.613**
2	Provision of Welfare Measures	0.557**	0.551**	0.522**
3	Monetary Benefits	0.727**	0.751**	0.655**
4	Promotion & Transfer	0.662**	0.684**	0.663**
5	Work Efficiency	0.614**	0.581**	0.641**
6	Employee Interpersonal Relationship	0.605**	0.591**	0.663**
7	Social Relationship	0.563**	0.530**	0.467**
8	Grievance Handling Procedures	0.704**	0.700**	0.680**
9	Training and Development	0.672**	0.677**	0.678**
10	Performance Management System	0.687**	0.729**	0.725**

Note ** - Significant at 1% level



It could be noted from the above analysis that all the motivational practices had a high positive significant association with job satisfaction, organizational commitment and employee performance. It indicates that when motivational practices increase among the employees their job satisfaction, their organizational commitment and their performance also increase, thus implying a direct relationship between the motivational practices and OCB.

RELATIONSHIP BETWEEN MOTIVATIONAL FACTORS AND ORGANIZATIONAL CITIZENSHIP BEHAVIOUR – MULTIPLE REGRESSION ANALYSIS

MOTIVATIONAL PRACTICES AND JOB SATISFACTION

In the following analysis, the interdependence of ten selected motivational practices and the latent variable employee satisfaction is discerned. The details of the analysis are formulated in the table 16.

TABLE 2 - MOTIVATIONAL PRACTICES AND JOB SATISFACTION

S. No.	Variables	Unstandardised coefficients		t	Sig.
		B	SE		
	Constant	0.118	0.118		
1	Safety & Security	0.004	0.033	0.129	0.898 ^{NS}
2	Provision of Welfare Measures	-0.028	0.034	-0.812	0.417 ^{NS}
3	Monetary Benefits	0.210	0.030	6.993	0.000**
4	Promotion & Transfer	0.050	0.031	1.633	0.103 ^{NS}
5	Work Efficiency	0.163	0.037	4.446	0.000**
6	Employee Interpersonal Relationship	0.064	0.042	1.522	0.128 ^{NS}
7	Social Relationship	0.110	0.021	5.184	0.000**
8	Grievance Handling Procedures	0.171	0.038	4.487	0.000**
9	Training and Development	0.083	0.030	2.793	0.005**
10	Performance Management System	0.129	0.030	4.274	0.000**



	R² value	0.883	
	F value	156.076	
	'p' value	0.000**	

Note ** - Significant at 1% level; NS – Not significant

The multiple linear regression co-efficient (dependent variable) is found to be a statistically good fit as R² is 0.883. It shows that independent variables contribute about 88.3% of the variation in the job satisfaction felt by the selected respondents and this is statistically significant at 1%.

The resultant equation is

Job Satisfaction

$$= 0.118 + 0.004 (\text{Safety \& Security}) - 0.028 (\text{Provision of Welfare Measures}) + 0.210 (\text{Monetary Benefits}) + 0.050 (\text{Promotion \& Transfer}) + 0.163 (\text{Work Efficiency}) + 0.064 (\text{Employee Interpersonal Relationship}) + 0.110 (\text{Social Relationship}) + 0.171 (\text{Grievance Handling Procedures}) + 0.083 (\text{Training and Development}) + 0.129 (\text{Performance Management System})$$

It is found from the analysis that the motivational factors safety & security, provision of welfare measures, promotion & transfer and employee interpersonal relationship have no association with job satisfaction and thus the variables are not influence the job satisfaction of the employees. All the remaining six motivation variables have strong positive association with the job satisfaction. Of the six variables, 'monetary benefits' is the most influencing factor than the other five variables and thus it indicates that the changes in monetary benefits will affect the job satisfaction of the employees.

MOTIVATIONAL PRACTICES AND ORGANIZATIONAL COMMITMENT

In the following analysis, the interdependence of ten selected motivational practices and a latent variable organizational commitment is discerned. The details of the analysis are formulated in the table 17.



TABLE 3 - MOTIVATIONAL PRACTICES AND ORGANIZATIONAL COMMITMENT

S. No.	Variables	Unstandardised coefficients		t	Sig.
		B	SE		
	Constant	0.281	0.114		
1	Safety & Security	-0.011	0.032	-0.347	0.729 ^{NS}
2	Provision of Welfare Measures	-0.052	0.033	-1.590	0.112 ^{NS}
3	Monetary Benefits	0.245	0.029	8.451	0.000**
4	Promotion & Transfer	0.063	0.030	2.128	0.034*
5	Work Efficiency	0.100	0.035	2.841	0.005**
6	Employee Interpersonal Relationship	0.055	0.041	1.344	0.179 ^{NS}
7	Social Relationship	0.072	0.021	3.497	0.001**
8	Grievance Handling Procedures	0.170	0.037	4.636	0.000**
9	Training and Development	0.062	0.029	2.155	0.031*
10	Performance Management System	0.206	0.029	7.063	0.000**
	R² value	0.804			
	F value	168.925			
	'p' value	0.000**			

Note ** - Significant at 1% level; NS – Not significant

The multiple linear regression co-efficient (dependent variable) is found to be a statistically good fit as R² is 0.804. It shows that independent variables contribute about 80.4% of the variation in the organizational commitment felt by the selected sample respondents and this is statistically significant at 1% and 5% respectively.

The resultant equation is



Organisational Commitment

$$= 0.281 - 0.011 (\text{Safety \& Security}) - 0.052 (\text{Provision of Welfare Measures}) + 0.245 (\text{Monetary Benefits}) + 0.063 (\text{Promotion \& Transfer}) + 0.100 (\text{Work Efficiency}) + 0.055 (\text{Employee Interpersonal Relationship}) + 0.072 (\text{Social Relationship}) + 0.170 (\text{Grievance Handling Procedures}) + 0.062 (\text{Training and Development}) + 0.206 (\text{Performance Management System})$$

It is found from the analysis that the motivational factors safety & security, provision of welfare measures and employee interpersonal relationship have no association with organisational commitment and thus the variables are not influence organisational commitment. All the remaining seven motivation variables have strong positive association with the organizational commitment. Of the seven variables, 'monetary benefits' has the highest influencing factor than the other six variables and thus it indicates that the changes in monetary benefits will affect the organizational commitment of the employees.

MOTIVATIONAL PRACTICES AND EMPLOYEE PERFORMANCE

In the following analysis, the interdependence of ten selected motivational practices and a latent variable employee performance is discerned. The details of the analysis are formulated in the table 18.

The multiple linear regression co-efficient (dependent variable) is found to be statistically good fit as R^2 is 0.887. It shows that independent variables contribute about 88.7% of the variation in the employee performance and this is statistically significant at 1% and 5% respectively.

The resultant equation is

Employee Performance

$$= 0.336 + 0.077 (\text{Safety \& Security}) - 0.080 (\text{Provision of Welfare Measures}) + 0.047 (\text{Monetary Benefits}) + 0.069 (\text{Promotion \& Transfer}) + 0.184 (\text{Work Efficiency}) + 0.174 (\text{Employee Interpersonal Relationship}) + 0.005 (\text{Social Relationship}) + 0.111 (\text{Grievance Handling Procedures}) + 0.093 (\text{Training and Development}) + 0.240 (\text{Performance Management System})$$



TABLE 4 - MOTIVATIONAL PRACTICES AND EMPLOYEE PERFORMANCE

S. No.	Variables	Unstandardised coefficients		t	Sig.
		B	SE		
	Constant	0.336	0.109		
1	Safety & Security	0.077	0.031	2.503	0.013*
2	Provision of Welfare Measures	-0.080	0.031	-2.563	0.011*
3	Monetary Benefits	0.047	0.028	1.688	0.092 ^{NS}
4	Promotion & Transfer	0.069	0.028	2.445	0.015*
5	Work Efficiency	0.184	0.034	5.443	0.000**
6	Employee Interpersonal Relationship	0.174	0.039	4.478	0.000**
7	Social Relationship	0.005	0.020	0.238	0.812 ^{NS}
8	Grievance Handling Procedures	0.111	0.035	3.168	0.002**
9	Training and Development	0.093	0.027	3.397	0.001**
10	Performance Management System	0.240	0.028	8.607	0.000**
	R² value	0.887			
	F value	155.515			
	'p' value	0.000**			

Note ** - Significant at 1% level; NS – Not significant

It is found from the analysis that the motivational factors monetary benefits and social relationship have no association with employee performance and thus the variables do not influencing the employees' performance. Rest of eight influencing factors of motivation, the variable 'Provision of welfare measures' have negative association at 5 percent level with employee performance. Of the eight variables, 'Performance management system' is the most influencing factor than the other seven variables and thus it indicates that the changes in performance management system in the manufacturing companies will affect the employee performance.



FINDINGS

- It was found from the analysis that the selected ten motivational practices had strong association with job satisfaction, organisational commitment and employee performance and correlation analysis indicated that motivation had a direct relationship with OCB.
- Of the ten motivational practices, ‘monetary benefits’ is the most influencing factor and thus it indicates that the changes in monetary benefits will affect the job satisfaction and organisational commitment of the employees. ‘Performance management system’ is the most influencing factor for employee performance which was found using multiple regression analysis.

CONCLUSION

- Employees are the real assets of the organisations. The research concludes that motivation of an employee in any form is very essential for employees’ productivity in manufacturing companies. It is an important tool for the retention of competent and stable workforce. This research concludes that the management has not been really serious to motivate their employees. This could lead to an alarming situation and requires serious efforts from the management side to bring positive change.
- In a manufacturing company, it may be practically impossible to work out a perfect solution that will promote job satisfaction and enhance performance at all times. In order to elicit better performance, motivational practices must be accorded high priority and employed properly as an essential ingredient for organisational progress and survival especially in current day turbulent operating environment. Such factors include adequate remuneration, improved training, effective and free flow of communication, elevation of workers, conducive and healthy working environment amongst others.



A STUDY OF RETAIL MARKETING IN INDIA

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ABSTRACT

Retailing is increasingly perceived as a means of (and indeed, a catalyst for) , wider urban regeneration and its associated marketing activities. This paper considers the role of retailing in the marketing and branding of towns and cities. It argues that given the importance of retailing to urban economies, its role in urban marketing is a crucial one and is integral to the activities of a number of different urban marketing stakeholders. The current practice of retail-related urban place marketing is described. The paper goes on to identify and discuss a number of issues the need for differentiation, managing the retail mix and organizational structures which have the potential to impact upon this area of place marketing and branding activity in the future. Retail marketing comprises the activities related to selling products to the consumers through channels such as stores, malls, kiosks, vending machines, or other fixed locations. In contrast, direct marketing to consumer's attempt.

DEFINITION

According to Philip Kotler,"Retailing includes all the activities involved in selling *goods* or service directly to final consumer for personal, Non business use".

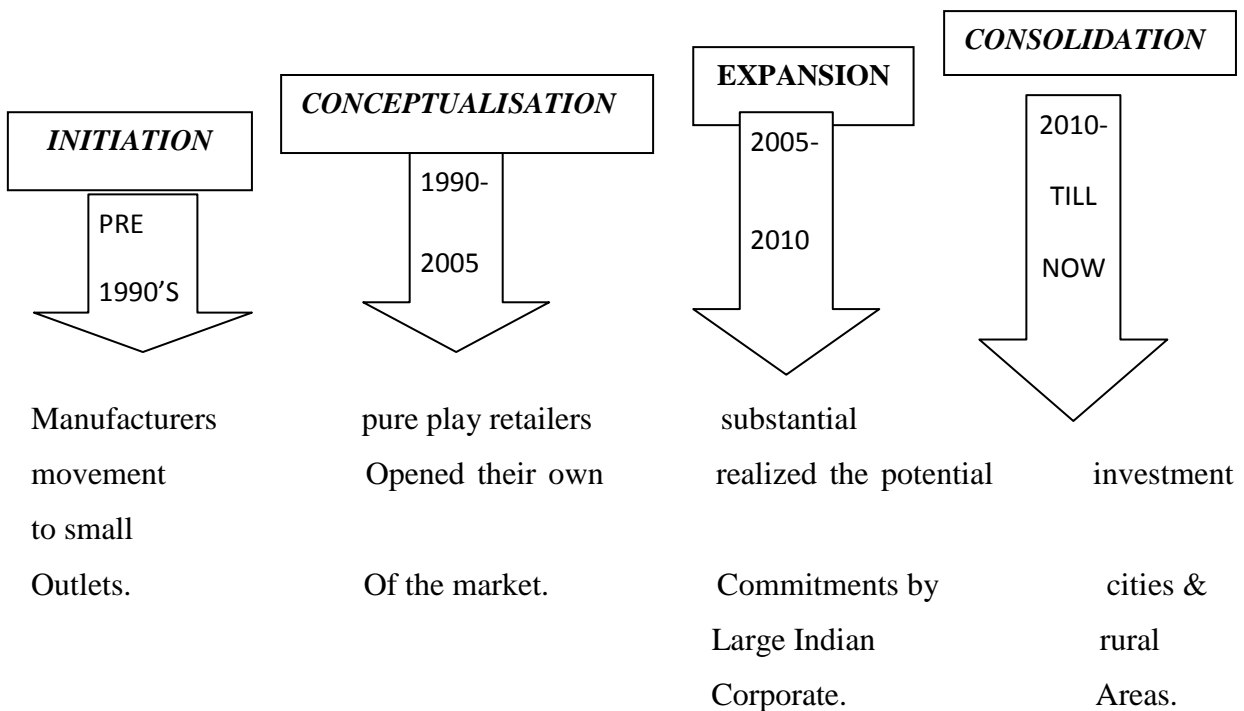
CHARACTERSTICS OF RETAILING

It offers direct interaction.

- Sale volume is comparatively large in quantities.
- Customer service.
- Sales promotions are offered at this point only.
- Different forms.
- Location and layout are critical factors.
- More employment opportunities.



EVOLUTION OF RETAIL MARKET IN INDIA



IMPORTANCE OF RETAIL MARKET

- Employment opportunities.
- Moves the economy in to motion.
- Provides the consumer a basic platform to encounter with goods and a shop keeper.
- Economic growth

MODES OF RETAILING

- i. Organized retailing
- ii. Unorganized retailing

ORGANIZED RETAILING

Organized retailing comprises mainly of modern retailing with busy shopping malls, multi storied malls and huge complexes that offers a large variety of products in terms of quality, value for money and makes shopping a memorable experience.



UNORGANISED RETAILING

Traditional or unorganized retail outlets are normally street markets, counter stores, and vendors, where the ownership and management rest with one person only.

RETAILING SECTORS IN INDIA

1. Food and Grocery
2. Clothing
3. Footwear
4. Gems and Jewelers
5. Music
6. Pharmaceuticals

SOME STATISTICS OF INDIAN RETAIL MARKET

- The total retail sales in India will grow from US\$ 395.96 billion in 2011 to US\$ 785.12 billion in 2015.
- Contributes to 8% of the total employment.
- Fastest growing sector in Indian economy

MAJOR INDIAN RETAIL PLAYERS IN MARKET

- Future group
- K Raheja group
- Tata group
- RPG group
- Landmark group
- Primal group
- Subhiksha
- Reliance
- AV Birla group



INDIAN RETAIL BRIEF OVERVIEW

The Indian retail sector is highly fragmented with more than 90per cent of its business being carried out by traditional family run small stores. In Indian context total 7% of population engaged in the retailing trade and in those 7% only 10% population are engaged in organized retailing and rest other 90% population are engaged into the unorganized retailing.

ADVANTAGES OF RETAIL MARKETING

PERSONAL INTERACTION

Retail marketing involves personal interaction that most other forms of marketing just do not entail. Personal interaction is meaningful on many levels to the client and can result in a lasting relationship between the brand and the consumer. Relationships are the foundation for future sales and a major factor in the customer's decision to select your goods or services over the competition. A certain amount of staff training and selective hiring is required to ensure the type of personal interaction that maximizes your company's retail marketing potential.

REAL-TIME CONTROL

Retail marketing is easier to control, adjust and customize according to the situation, the specific customer and the needs of the brand. Unlike a print ad that will run for a predetermined length of time and cannot be altered, or a radio spot that must be rerecorded if changes are necessary, retail marketing can change from one day or even one hour to the next as the market and the conditions warrant. For example, if you are running a sale on widgets and notice that they are still not selling, you can change the promotion into a giveaway.

AWARENESS

The primary benefit of retail marketing is to bring awareness to the consumer that the product exists to fill a need or a want that the consumer has. For example, if a retail marketing campaign is promoting a product that gets rid of nail fungus, someone with nail fungus now knows that an over-the-counter product is available to help resolve their nail



fungus problem. In return, this marketing helps to boost sales for the nail fungus remover manufacturer and the retailer selling the product on its store shelves.

BOOSTS PROFITS

Retail marketing also has the advantage of boosting business profits. Whether it's announcing the launch of a new product or offering a special sale or coupon on an existing product, this type of retail marketing can attract larger crowds to the retail location. The more potential customers who walk through the door provides a potential for higher sales, and a larger sales volume brings increased profitability to the retail establishment.

CREATES A COMPETITIVE ENVIRONMENT

Retail marketing creates a healthy competitive environment between retailers. This benefits consumers because it helps to keep their costs down when purchasing products. Retail marketing also helps keep competitors aware of what the other is charging for the same product, so it allows retailers to adjust prices as necessary to stay competitive in the market.

CREATES JOBS

A direct positive effect of retail marketing is that it draws more customers to the retail stores. An indirect effect of retail marketing, however, is it creates jobs. When a retail store has more business, it also tends to need more employees to help with the volume of business. For potential employees that have experience in the retail industry or who are looking to break into retail work, retail marketing can open up many new job opportunities.

12TRENDS OF RETAIL MARKETING

PERVASIVE SHOPPING

Offering the ability to purchase in multiple channels, and integrating with third party ecommerce networks is key.

RETAIL CURATION

Consumers are growing to expect more custom and personalized experiences and share them readily with others.



STORY TRUMPS PRODUCT

When products are easily replicated and do not necessarily stand out alone, better storytelling is the secret weapon.

BEING USEFUL SELLS

Often the best value from digital tactics comes by educating instead of trying to have a “dialogue”.

ANALYTICS EVERYWHERE

As consumers continually receive “life data” – this will influence the decisions they make and products they buy.

INSTANT VISUAL COMMERCE

Finding ways to link product imagery in any form (across the web) to ecommerce pages will become more important

ELIMINATING AGONY

As more sites begin with a mobile-centric design, consumers expectations of extreme simplicity increase.

REWARDING ACTIVITY

Consumers will expect more rewards for activity, but may offer their social capital/networks in exchange.

UNEXPECTED HONESTY

Being proactive with sharing the logic and truth behind your business is a powerful way to build trust.

REAL TIME ETHICAL CONSUMERISM

Companies that behave in unethical ways can no longer depend on that information being hidden or hard to find.

SOCIAL PERSONALIZATION

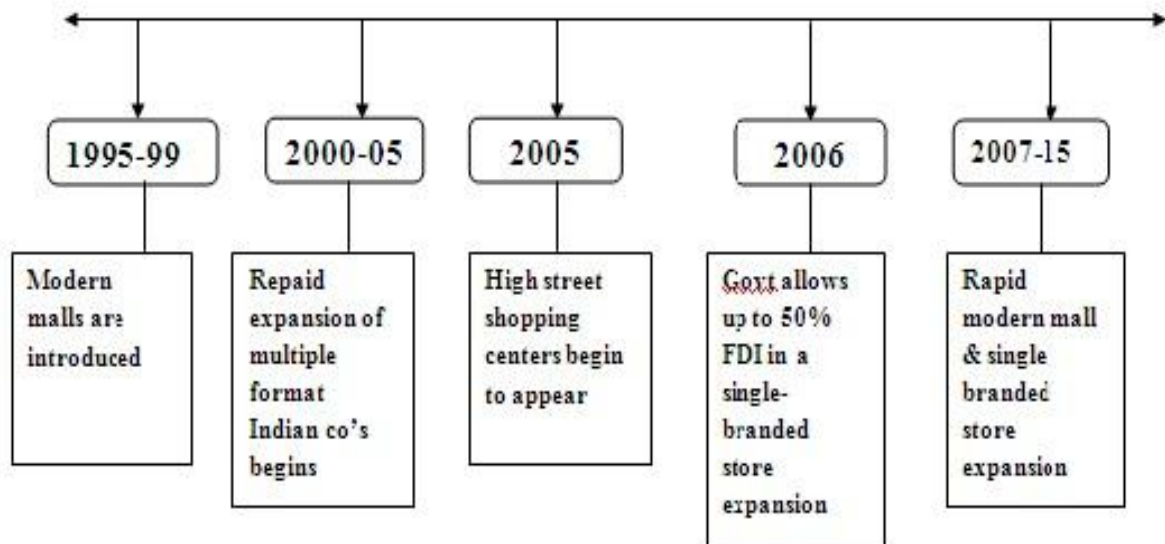
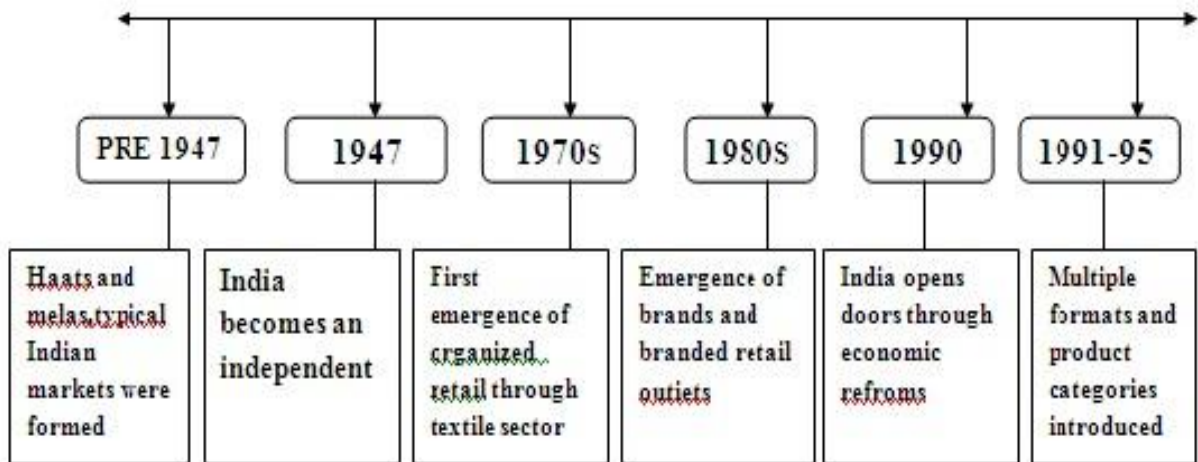
Influencing consumers takes not only a focus on offers and benefits, but also through social context.

RETAIL CO-CREATED

The affiliate model that has been so successful in ecommerce is extending to include any entrepreneur.



TIMELINE OF RETAILING IN INDIA



CONCLUSION

Retailing is the sale of goods services to ultimate consumers for personal, on-business use. Any institution may engage in retailing, but a firm engaged primarily in retailing is called a retailer. Retailers serve as purchasing agents for consumer and as sales specialists for products and wholesaling middleman. They perform many specific activities such as anticipating consumers' wants, developing product assortments and financing.



ROLE OF INFORMATION SYSTEMS/TECHNOLOGY IN AGRICULTURE

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ABSTRACT

Always has the potential to improve the quality of agricultural products and production using information technology that requires efficiency and information in all sectors of agriculture. Emerging view of a non-regularity in agriculture, thanks to the World Trade Organization [WTO], to make a great need and urgency to bring in it's an integral part of decision making by the Indian Farming Community. Information Technology (IT) has a major role to play in all facets of India Agriculture. In addition to facilitating and improving the efficiency of farmers productivity in agriculture and allied activities, bringing the potential of IT about qualitative improvement in the overall quality of life by providing timely and data inputs for decision making. Who work for the welfare of employees Indian farmers such as extension workers, do not have access to the latest hinders their ability to serve the farming community information effective. This manuscript focusses on the opportunity for people living in the e-powering in India, as well as those peoples who work for their welfare. Latest developments changing patterns of IT in rural India that facilitate effective IT penetration information requirements & IT role, the post-WTO necessarily systems environment, with possible bottlenecks in rural India, e-powering solutions are examined.

Keywords: Role of information technology; Agriculture; WTO; e-powering solutions; decision support system; IT Technology usage in Agriculture; World Trade Organization

INTRODUCTION

Information Technology covers a broad spectrum of hardware and software solutions that enable organizations to gather, organize, and analyze data that helps them achieve their goals. It also details technology-based workflow processes that expand the capacity of an organization to deliver services that generate revenue. The four main focuses of IT personnel are business computer network and database management, information security, business software development, and computer tech support.



Information and communication have always mattered in agriculture. People crops, raise livestock, and catch the fish has evolved since then, they have sought information from one another. Manufacturers rarely have the same issues arise in season after season, even if it's easy to find to get the answers to these questions. For centuries, farmers in a village in the "same" crops can be planted, but over time, changes in weather patterns and soil conditions and pests and diseases epidemics come and go. Farmers cope with updated information and can also benefit from these changes. Agriculture is highly localized nature of the information must be specially adapted to the different conditions means that, not only because such knowledge, however, can be challenging.

ROLE OF IT IN AGRICULTURE

Information Technology (IT) to improve decision making in agriculture for long has been viewed as having great potential. IT is connected to the global world and the dynamic is changing our life style and social consciousness. In all phases of agriculture, industry, information technology management and business is essential for success. Agriculture has also been greatly influenced by IT.

Information technology quickly and agricultural society is becoming more and more visible. IT information we communicate to people how we compute information, and how we use the information refers to. People must have a computer and information technology. Part of a person, the process of assembling, and the agricultural industry must have the ability to manipulate information to make informed decisions.

In the agriculture context, decisions which will have a positive impact on related activities are conducted. Precision farming, popular in developed countries, the widespread use of IT to make a direct contribution to agricultural productivity. Satellite technology, geographic information systems, remote sensing, using the techniques of agronomy and soil science is to increase agricultural production. Including large tracts of land where this approach is capital intensive and useful. As a result, it is more suitable for the cultivation taken on corporate lines.

Significant indirect benefits of IT in the power of the Indian farmer, and remains to be exploited. Indian farmers urgently take the necessary decisions in a timely and reliable source of information inputs. Currently, farmers are slow and unreliable, trickling down from the traditional sources of inputs depends on the decision. Faced by Indian farmers to remain



competitive in this changing environment is not only useful, but not required, making information.

NEEDS FOR CHANGING PATTERNS

DSS [Decision Support System] for Farmers

Farmer cautious and usually can avoid the risk. Export subsidies on farm products that stipulating an education in the provisions of the WTO will make exports more competitive, it has been suggested. Harvesting costs, efficient farming methods and the data on the availability of inputs against imports will facilitate the assessment of the strengths of indigenous products.

As evident from the availability of information on adverse weaknesses will help to take the necessary corrective measures have any specific effect of the WTO on agricultural production. Emerging situation, a competitive advantage to be fully exploited to improve the export potential is required. India, fruits, oil seeds, cotton, milk products are considered as areas of competitive advantage.

SYSTEMS THAT FACILITATE FARMERS TO APPROPRIATE ALLIANCES FOR COLLECTIVE BENEFIT

The size of land holdings is a major barrier to the absorption of any export potential. Farmers to come together through cooperative alliances to remain competitive and to derive a better price realizations, it will become imperative. Online farmers come together to facilitate the disposal of their products at attractive The size of land holdings is a major barrier to the absorption of any export potential. Farmers to come prices and geographical barriers by facilitating relief is possible for farmers. Online bids can be introduced to the various categories of agricultural production. The proper bricks and mortar infrastructure and post-harvest technology, storage, etc., which can be supported by the development of complex IT systems will need to be.

MONITORING

Local agriculture is exposed to fluctuations in the international scene, it is necessary to be vigilant to external shocks. International market, to monitor the international supply systems – demand scenario, the macro-economic factors, it is necessary to develop a political disruptions. Advance warning systems to alert farmers are required to be developed. It



maintains information related to agriculture and allied activities of all the major organizations promoting cells provide periodic analytical reports are needed to enhance and advance warnings.

OPPORTUNITIES

Indian farmers to come together for additions to the value it is necessary to equip their Agricultural production. This gives them good returns from their produce and rural areas at the same time will generate new employment opportunities. The agricultural processing industries, aqua culture units, animal husbandry, floriculture, etc. units, set procedures regarding the export opportunities for farmers will need to provide information systems, quality standards, etc., packaging, or are available to be adopted.

AWARENESS WITH SYSTEM

First and foremost, it's common for people of the WTO is required to provide unambiguous interpretation and implication. Under WTO jargon and various articles need to be distilled by language experts and their implications for all segments of Indian agriculture and allied activities are clearly spelled out. And the time frame for the effects of all the stake holders are spelled out. This has to be addressed immediately, which is a priority item. Import tariffs, Season wise and Year wise phases of the mandatory changes in government policies, the impact on the various subsidy schemes people may be concerned. One area of immediate concern to farmers in his / her life is going to be affected on how to get an analytical input. Remove restrictions to throw open the Indian agricultural markets, macro-economic situation, foreign exchange, inflation, the current tariff, etc. in the respective country and their likely impact on Indian agriculture segments inside and outside the structure of Indian agriculture will have a direct bearing on decisions.

IT AND AGRICULTURE IN THE FUTURE

- User-friendly systems, especially in local languages with the material, farmers and other people interested in working at the grassroots can produce. These services are available in all parts of the country to make the power of the Internet can be used to create or dedicated networks.
- Indian agriculture to meet the full spectrum of application packages and databases is a huge task to create a task. The long-term agricultural policy are covered to provide a complete list of all the areas.



- The design changes and provide service to each of the areas specified in the list can be taken as a guide for the development of appropriate systems. Catering for a place in our country, specializing in various aspects of Indian agriculture has the advantage of having a large number of organizations.
- These organizations require applications & databases and services can play a crucial role in the design. The task of achieving rapid results modularisation, and will facilitate better control.

As it is, many organizations have already developed systems results in their area of specialization, it may be useful to get these programs in India has outsourced software companies. To facilitate the rapid deployment of applications and will give a boost to India's software industry. In order to avoid duplication of efforts, the users, the standard interface for monitoring progress in evolving a comprehensive design and will have an advisory role to play, which could be useful in promoting a coordinating agency.

In the post-WTO regime, it is an undeniable competitive advantage for the export of some agricultural products to maintain focus on the more useful it is suggested. Immediate action, etc., such as remote sensing, geographic information systems (GIS), bio-engineering, satellite technology, India has made rapid strides represents the state of the art technology to make the call. Using remote sensing and GIS applications effective agricultural exhibition is possible to keep an eye on. Crop stress, soil problems, challenges, natural disasters, this technology can be effectively tackled. The export potential of precision farming can be tilted in favour of our country which can be motivated in large tracts of land.

IT AND ITS COMPENENTS

Agricultural development and for the welfare of rural India as a strategic tool to have in place the necessary IT infrastructure, IT induction is required. Rapid changes in the prices of the various components of the downward trend in IT and IT penetration in rural India, targeted at a large scale makes it possible. IT Listed below are some of the various components of the broader context of the factors to be noted

- **Input devices** Radical improvements are seen in the context of the Earth Such as keyboards, mouse devices, scanners, as human beings communicate with computers. . In the early days of digital cameras to capture possible, and to be of good quality graphics and a large collection of video clips. The small size and are becoming



increasingly affordable, the digital camera, low weight, to educate farmers to open up the possibilities of computer-based demonstration clips. The digital camera also recommend solutions to quickly remove the US from an expert who can facilitate the location at which the plant stress-related images, movie clips can be used to upload.

- **Output devices** Monitors screens, printers and plotters, data projectors supports high resolution and high quality output. Farmers in the use of IT-based services, the quality of the output devices have the potential to generate renewed interest. The lightweight, portable data projectors easily to a wide audience, agricultural extension service can be carried out by employees. Similarly, speakers but also for farmers to incorporate voice-based training can be connected to the computer.
- **Processors** increased processing speed of computers. Currently, Intel processors based on the significant processing of data on the client side makes it possible for the PC is available in the range.
- **Storage Devices** 40GB or more hard disk drives and computers have become common in the PC category. This facilitates access as quickly as possible to store information which is significant at the local level. Similarly, high-capacity floppy disk drives, CD's are connected to networks as soon as possible, information on the locations to transfer large volumes of forms. The storage devices are also used for much-needed data. As a precaution, many companies are working away from the place of places to store their backups.

Software for various operating systems are available which act as an interface between the user and the machine. Graphical user interface (GUI) has become a prerequisite for end users accepted. Microsoft 'Windows' in India is becoming a favourite. Which can support complex user requirements, application soft wares are available. Office automation packages, Groupware applications, complex DB solutions for store data and information, communication products, solutions based on remote sensing and geographic information systems for the shelf solutions are also available.

- **Networking devices** The ability of a modem, used to convert data from digital to analog and vice versa, which is employed for the popular use of telephone lines, has increased. So that they are not exposed to the outside environment integrated internal modem is available in the computer. Such routers, and other networking devices, such



as the ability to make it as easy as possible for large networks with data transmission, which makes increased.

- **Transmission media** The data transfer takes place has undergone a radical transformation, by which the media. Although the main issues of reliability and low bandwidth telephone lines yet still popular in India is the source. High-capacity cables, optical fibre, radio, wireless local loops, satellite broadcasting and based on a combination of these different solutions are already in use in many parts of the country.

CONCLUSION

Information technology is expanding rapidly and touches almost all areas of human activity. Farms that farmers can participate in the creation of web portals for direct sale that are so necessary, and system for data manipulation and store related any activity of farming. Agricultural universities must prepare students to use new IT, but also different, e.g., Meaning of extension services, and creating a new specific websites using the web should help farmers. Providing a better quality of life in rural decision making capabilities can be improved by the quality of information inputs. IT to meet these challenges and to remove the fast growing digital divide rural India can play a major role in facilitating the process of transformation. Rapid changes in the field of information technology in rural, it is necessary to develop and disseminate making electronic services.



A STUDY ON SALES PROMOTION

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ABSTRACT

Sales Promotion activities have gained strategic focus as markets are getting complex and Competitive. Key managerial concerns in this area are budget allocation across elements of promotions as well as trade vis. consumer promotion, how to design individual sales promotion techniques and a calendar in face of competitive promotions, how to manage them and evaluate the short-term and long-term impact of the same.

The objective of this paper is to present, through Meta-analysis, an overview of recent contributions appearing in scholastic journals relevant to the field of Sales Promotion, to classify them into different classificatory framework, report key findings, highlight the managerial implications and raise issues. The database used is the EBSCO host available on VSLLAN (Library) - Indian Institute of Management Ahmadabad). The selection procedure consisted of peer reviewed scholarly contributions for recent five year period. Out of more than 700 articles 64 article were selected which were analyzed for classifying them into

- Perspective addressed: Manufacturer, retailer or consumer.
- Market [country where the research was undertaken]
- Type of promotion activity addressed - coupon, contest, price cut etc.
- Management function addressed: planning, implementation, control [evaluation]
- It was found that majority of the articles addressed manufacturer's perspectives ; almost all studies were done in developed countries ; coupon as a consumer promotion tool was widely researched; and more than half of the articles were addressing planning related issues. Finally attempt has been made to synthesize managerial implications of the studies under broad topic areas for guidelines for managers.

INTRODUCTION

The word promotion originates from the Latin word "promovere" to move forward or to push forward. Sales and promotion are the two different words and sales promotion is the combination of these two words. Sales promotion is another important component of the marketing communications mix. It is essentially a direct and immediate inducement. It adds



extra value to the product and hence promotes. The dealer or consumer to buy the product. Thus, sales promotion methods aim to capture the market and increase the sales volume. It is an important instrument in the marketing to lubricate the marketing efforts. Now a day's sales promotion is a necessary tool to boost sales. In the broader sense, it is not expenditure; it is an investment, as it pays rich returns. It aims in the creating demand. It is right to say that the sales promotion moves the product.

A manufacturer must make the customers to know the product and he influence them to buy that product. Sales promotions are a marketing tool for manufacturers as well as for retailers.

MEANING AND DEFINITION

Sales promotion refers to 'those marketing activities that stimulate consumer shows and expositions. Purchasing and dealer effectiveness such as displays, demonstration and various non- recurrent selling efforts not in the ordinary routine.

"According to A.H.R. Delens: "Sales promotion means any steps that are taken for the purpose of obtaining an increasing sale. Often this term refers specially to selling efforts that are designed to supplement personal selling and advertising and by co-ordination helps them to become more effective."

In the words of **Roger A. Strong**, "Sales promotion includes all forms of sponsored communication apart from activities associated with personal selling. It, thus includes trade shows and exhibits, combining, sampling, premiums, trade, allowances, sales and dealer incentives, set of packs, consumer education and demonstration activities, rebates, bonus, packs, point of purchase material and direct mail."

OBJECTIVES OF SALES PROMOTION

Sales promotion is a vital bridge or a connecting link between personal selling and advertising.

- To increase sales by publicity through the media which are complementary to press and poster advertising.
- To disseminate information through salesmen, dealers etc., so as to ensure the product getting into satisfactory use by the ultimate consumers.



- To stimulate customers to make purchases at the point of purchase.
- To prompt existing customers to buy more.
- To introduce new products.
- To attract new customers.
- To meet competition from others effectively.
- To check seasonal decline in the volume of sales.

IMPORTANCE OF SALES PROMOTION

The importance of sales promotion has increased tremendously in the modern times. Lakhs of rupees are being spent on sales promotional activities to attract the consumers in our country and also in other countries of the world.

Some large companies have also begun to appoint sales promotion managers to handle miscellaneous promotional tools. All these facts show that the importance of sales promotion activities is increasing at a faster rate.

ADVANTAGES OF SALES PROMOTION

Luring New Customers with Price

By offering a reduced price on a popular item, customers away from competitors, who may ultimately help turn them into regular shoppers.

For example, own a small electronics store that's competing with a large retailer; offer a discounted price on a popular cell phone model for a limited time. Serving the customers well during the purchase process, they may be willing to come back.

Gaining Community Favor

Create a good name for business by staging a promotion that supports a worthy cause. For example, when town needs a new fire engine or police car, donate a portion of customer purchases at the business to the cause.



Encourage Repeat Purchases

Businesses like airlines and hotels successfully use rewards programs to encourage customer loyalty, and they can do the same for the small business. The owner of a coffee shop, for instance, give customers a rewards card that the hole-punch each time they make a purchase. After they make five or 10 purchases, they can redeem the card for a free cup of coffee.

Entice Reluctant Consumers

Giving away free products or services is a good way to get people to try them for the first time, which may lead to a purchase. When the owner added a new sandwich to the menu, pass out small samples to each of the customers as they come in the door. When they operate a health club, offer a free trial membership or free personal training sessions to get people to give a try.

Providing Information

A sales promotion can help to provide information to potential customers that aid them in making a decision. This can be beneficial for products or services that are complicated or are unfamiliar to consumers. For example, when a financial planner attempting to gain clients in the area of retirement planning, a free seminar allows to explain what to do and how some of the investment products work.

DISADVANTAGES OF SALES PROMOTIONS

Increased price sensitivity

Frequently promoted brands in the product category, especially on the basis of price, make consumers and traders more price sensitive not only for the promoted brands but for other brands as well in the same product category. Consumers wait for the promotion deals to be announced and then purchase the product. This is true even for brands where brand loyalty exists. Customers wait and time their purchases to coincide with promotional offers on their preferred brands.



Dealers forward buy and divert

In case of deals for the trade, many dealers forward buy, in excess of their inventory requirements. This is particularly happens if a product is low bulk, much in demand and the inventory holding costs are favorably low. This is true both for wholesalers as well as retailers. Forward buying of excessive stocks on deals or quantity discounts can lead to diversion of some of the stocks in non-deal areas. Forward buying of excessive stocks on deals or quantity discounts can lead to diversion of some of the stocks in non- deal areas. Wholesalers and retailers do not hesitate in selling these excess stocks in non- deal areas on prices that are less than the list price, but keeping some reasonable margin for themselves. This is likely to have a negative effect on price discrimination efforts of the company as dealers and those areas would not be buying even the normal requirements from the company.

Merchandising support from dealers is doubtful

One of the trade promotions tool is to offer promotional allowances to trade people to motivate them to provide merchandising support and to pass on some benefit to consumers. This generally is the condition attached with such promotional allowances. In many cases, the dealers do not cooperate in providing the merchandising support nor do they pass on any benefit to consumers. The retailer might not be willing to give support because he does not have the place, or the product does not sell much in his shop, or may be he thinks the effort required is more than the commission/benefit derived.

Short-term orientation

Sales promotions are generally for a short duration. This gives a boost to sales for a short period. This short-term orientation may sometimes have negative effects on long-term future of the organization. Promotions mostly build short-term sales volume that is not maintained. Heavy use of sales promotion, in certain product categories, may be responsible for causing brand quality image dilution. The argument given in favour is that companies should develop superior products or services which are better than competitors and consumer should be convinced through appropriate and focused advertising about the superiority of the product and its image. This will result in lasting brand identities reflecting consumer values. Then there will be no need to offer any extra benefits; only the lasting brand image will keep customers loyal to the brand.



CONCLUSION

I would like to note that sales promotion is the element of the promotional mix that is aimed at increasing the volume of products sold via a trial or brand loyalty. The brand loyalty reflects the customer desire to buy the product or service of a given brand and depending on the level of brand loyalty that desire can be different. Sales promotion sends mixed signals with respect to building brand loyalty simply because it is hard to understand the amount of time or products needed to develop a buying habit that reflects brand loyalty. At the same time, sales promotion might be effective in building brand equity, or the existing value and association made by the consumer.

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SOCIAL MEDIA MARKETING

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ABSTRACT:

Social media is a group of Internet-based applications that allows individuals to create, collaborate, and share content with one another. Practitioners can realize social media's untapped potential by incorporating it as part of the larger social marketing strategy, beyond promotion. Social media, if used correctly, may help organizations increase their capacity for putting the consumer at the center of the social marketing process. The purpose of this article is to provide a template for strategic thinking to successfully include social media as part of the social marketing strategy by using a four-step process.

INTRODUCTION:

Social Media Marketing (SMM) helps a company to get direct feedback from customers (and potential customers) while making the company seem more personable. The interactive parts of social media give customers the opportunity to ask questions or voice complaints and feel they are being heard. This aspect of SMM is called social customer relationship management (social CRM).

SMM became more common with the increased popularity of websites such as Twitter, Facebook, Myspace, LinkedIn, and YouTube. In response, the Federal Trade Commission (FTC) has updated its rules to include SMM. If a company or its advertising agency provides a blogger or other online commenter with free products or other incentives to generate positive buzz for a product, the online comments will be treated legally as endorsements. Both the blogger and the company will be held responsible for ensuring that the incentives are clearly and conspicuously disclosed, and that the blogger's posts contain no misleading or unsubstantiated statements and otherwise complies with the FTC's rules concerning unfair or deceptive advertising.



DEFINITION:

Social media marketing (SMM) is a form of Internet marketing that utilizes social networking websites as a marketing tool. The goal of SMM is to produce content that users will share with their social network to help a company increase brand exposure and broaden customer reach.

Social Marketing seeks to develop and integrate marketing concepts with other approaches to influence behaviors that benefit individuals and communities for the greater social good. Its practice is guided by ethical principles. It seeks to integrate research, best practice, theory, audience and partnership insight, to inform the delivery of competition sensitive and segmented social change programmes that are effective, efficient, equitable and sustainable.

Eight Essential Elements of a Social Media Marketing Strategy:

1. Identify Business Goals:

- Every piece of social media strategy serves the goals that is created.
- Choose two primary goals and two secondary goals to focus on.
- Having too many goals distracts the mind and it ends up achieving none.



2. Set Marketing Objective:

- Make the objectives specific, measurable, achievable, relevant and time-bound.
- Choose which analytics and tracking tools that is need to have in place.
- Ensure the objectives that are relevant to the company's overall vision.





3. Identify Ideal Customers:

Know the target of audience's age, occupation, income, interests, problems, obstacles, habits, likes, dislikes, motivations and objections.



4. Research Competition:

- Start by compiling a list of at least 3-5 main competitors.
- Pay attention to the type of content they're posting and its context.
- Compare how to stack up against each other.



5. Choose Channels and Tactics:

- Avoid wasting the time in the wrong place by using the information from the buyer personas to determine which platform is best.
- Know in which primary and secondary social networks it should be focussed.



6. Create a content strategy:

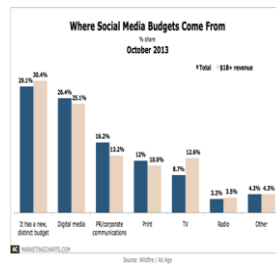
- Test and figure out the best time.
- Finding the perfect frequency.





7. Allocate Budget and Resources:

- Social media has its own new and distinct budget.
- Look at the tactics make a comprehensive list of the tools that is needed.
- Include the annual projected cost so that it can have a high-level view of what is invested in and how.
- Prioritize the tactics according to their ROI timeframe



8. Assign roles:

- Start planning the execution PROCESS
- Adapt quickly and introduce the new changes to the overall strategy.

The Hidden Benefits of Social Media Marketing:

1. Brand Recognition – One of the most powerful ways to use social media is as a brand-building tool. With social media, get to decide how to position the company and what is wanted by the people to know about what is done. With consistent effort and great content, it can build a reputation for the brand around the company's values, benefits, and advantages.

2. Community – There is nothing like social media when it comes to cultivating a community. When the followers become part of the community, gain instant access to them. That means it can find out what challenges they are facing and what they like and don't like about your offerings. It can engage in ongoing dialog that can be more valuable than any kind of paid market research.

3. Repeat Exposure – There is an old marketing adage that says it takes six to eight exposures to a product before a customer decides to buy. A clear benefit of social media is repeat exposure with the network. There is an opportunity to remind them over and over again about what it has to offer, which can shorten the sales cycles dramatically.



4. Authority – For coaches, consultants, authors, speakers, and other service-based businesses, social media can be very powerful in helping to establish authority in the field—making the go-to resource for the target audience to seek out for help. Share great content, answer questions, and *serve* the audience, and it will inevitably build loyal fans.

5. Influence – As the following increases, it influence growth. Having a substantial social media audience creates a snowball effect that can attract new customers, media interviews, joint venture partnerships, and all kinds of other opportunities. It is a bit like when a crowd is seen hovered around something. It cannot help but want to see what all the fuss is about, so a large audience will only attract more interest.

Social Media Marketing -Impact on Business:

With the ongoing rise in social media usage and marketing on and through the platform, modern businesses are continually challenged to alter their strategies. Social media marketing (SMM) affects virtually all businesses in varying degrees regardless of their nature, size and scope.

1. **Marketing:** Aside from email marketing and word-of-mouth which are still widely used today, SMM is changing how businesses are informing their target audience about innovations, launches, promotions and sales. SMM became a platform that drives instantaneousness wherein the consuming public can keep tabs on what these businesses are up to next just by connecting with the business on social media. Did you know that 95% of the millennials is active on at least one social profile?

2. **Branding:** Again, SMM became a fundamental factor in synergizing branding strategies and building brand awareness. Through the businesses' social media profiles, the management is given the opportunity to become more transparent when it comes to their brand. Before, when no social media platforms are available, people have distant and impersonal impressions of these brands. However, with the birth of social media sites, the process creates a favorable perception of the brand and shapes the purchase decision-making of the people based on how the business interacts with them while on social media.

3. **Communication:** Social media sites are becoming the customer service arm of the businesses. Instead of calling the store or emailing, the people can direct their concerns



and feedbacks to these profiles and they can expect a reply in 30 minutes or so. Of course, the quicker, the better. Some customers even chose to inform the business through brand-specific hashtags, that is, if the social profiles are constantly being monitored. Based on how the effective the communication is between the management and the users, the process can improve the reputation of the company while fostering brand loyalty.

4. **Value** : Successful SMM is able to create not just brand awareness, but also the perceived and actual value of the products and services that companies offer. Previously, it would take years (and substantial budget) before any business can establish their value proposition in the minds of the consuming public. The process is tedious as well wherein they need to build awareness, recall and trust before they can build loyalty and authority.

SMM has dramatically changed the way businesses communicate, interact and do marketing today. SMM gave these companies an opportunity to make their brands and messages more personal and communicate with their target market in a more dynamic way. To sum it up, how social media marketers make sense of the social platforms themselves can affect how they do business with their target market. Regardless of the influence of social media on your business and customers, the SMM strategies and tactics should always strive for win-win scenarios. That is, give what the target consumers need and desire and they will recognize that brand, its value and the efforts in return.

The Importance of Social Media Marketing:

- The growth of **social media** is nothing but extraordinary and in a little over 8 years Facebook has gone from a small website set up by 4 Harvard students, to the most frequently used website on the planet.
- In parallel, Twitter has grown from a means of communication for employees working within a pod-casting company back in 2006, to generating over 50 million tweets every single day in 2012 social media made big news when it surpassed email in terms of the **number one online activity**.
- **Social media marketing** practices such as Facebook and LinkedIn marketing have reacted to this on a similar trajectory and spending has also gone stratospheric in recent years, from an overall spend of \$450 million in 2008, to over \$1.5 billion in 2012 there is no stopping it.

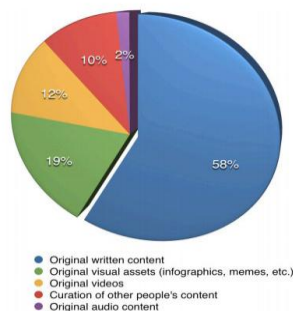


- Recent research into advertising habits by research group Forrester, predict that company spending on marketing social media will out strip that of any other form of marketing by the end of 2012.
- Being able to get the message out there in front of millions of users is vital to the business success and this is where a highly skilled team of experienced marketers come in.
- Experts in **Social Media Marketing** have been helping local businesses drive targeted traffic to their websites. In Ireland there are around 2 million social media users and if they already know about the business and are happy with the service, they are going to communicate this point to their friends.
- When it is considered that the average person on Facebook has 137 friends, that is a lot of potential customers that can be reached in a very short space of time.
- When it comes to social media marketing, Cork based **internet marketing company** ePresence understand exactly how small businesses can harness the potential of the Social Technology explosion.
- As a result, we have helped even the smallest businesses to grow from dealing with local customers to being positioned firmly within a truly global marketplace.

LATEST RESEARCH REVEALS IN SOCIAL MEDIA TRENDS:

1. WRITTEN WORD RULES:

Over half of the marketers (58%) surveyed chose original written content as their most important form of social media content, followed at a distance by original visual assets (19%) and original videos (12%).

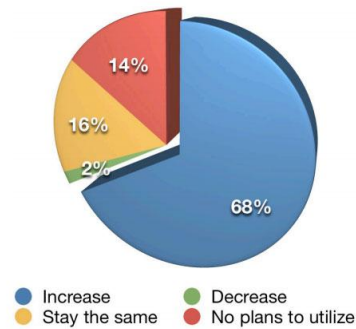


2. Blogging Biggest Area for Increase:

Blogging has become increasingly important to social media marketers—68% of marketers plan to increase their future use of blogging. In fact, over the last two

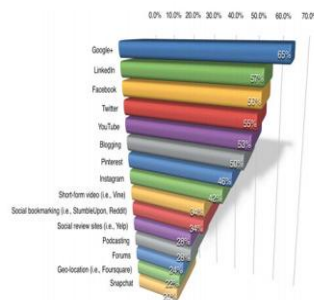


years, the importance of blogging has incrementally climbed from the number-four spot in 2012 to number three in 2013 to number one in 2014.



3.GOOGLE+ TOPS MARKETERS INTEREST LISTS:

When asked what social media platform they wanted to master, 65% of marketers said Google+, displacing blogging, which took the top spot in 2013. The first runner-up this year was LinkedIn with 57% of marketers.



4: Tactics Are Top Challenge:

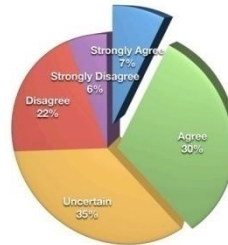
The burning question for the vast majority (91%) of marketers is, “What social tactics work best?” This is followed closely by 89% of marketers who wanted to know, “What is the best way to engage audiences with social media?” These are valid questions, considering the constant changes across social media platforms.





5: Social ROI Remains a Mystery:

Measuring social media ROI remains murky and elusive for marketers. Only 37% are able to measure their social activities (compared to 26% in 2013), while 35% aren't sure and 28% can't measure it at all.



CONCLUSION:

All marketing activity needs to be tailored to reflect a business' target audience. It also needs to be able to show return on investment. The use of social media aims to improve public perception, but the Trust's campaigns have also shown savings in time and money.. By using social media as a key part of its marketing campaigns, the National Trust is able to reach one of its key target audiences – young people – more easily and can convey its messages in a format that suits the audience. Thus it helps it achieve clear brand awareness through its campaigns, the Trust has devised highly structured guidelines to ensure all its campaigns and activities are carried out to the same high standard, whether for promoting Trust properties to potential members or for recruiting potential applicant.

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CONSUMER AWARENESS ON VERMICOMPOST AND ITS EFFECT ON THE GROWTH OF A VEGETATIVE CROP *LYCOPERISICUM ESCULENTUS*

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ABSTRACT

Vermicomposting is one of the most important aspects of Organic farming. The effort to provide practical information to farmers, agricultural officers to popularize organic farming in various sectors to sustain our Agriculture and National Economy has been well recognized in the present study. (Vermicompost and Garden soil (Control) were taken first for the Chemical Analysis and then to find the effect of these composts on the growth of a vegetative crop *Lycoperisicum esculentus*. “Vermicompost with rich nutrients like Potassium, Nitrate, Sodium, Calcium, Magnesium, and Chlorides along with the potential for improving than the Garden soil were found. The study also noted the wide range of differences between Vermicompost and garden soil (control) in terms of their nutrient content and their effects on the plant growth phenomenon.

Keywords:- Vermicompost, humus, growth, nutrients

INTRODUCTION

Green revolution of 1960's has tremendously enhanced the agricultural production mainly due to the abundant use of Fertilizers, pesticides, improved seed variety, cultivars and other inputs However the unilateral use of chemical fertilizers, devoid of organic resources contributes to the deterioration of the environment, loss of soil fertility, less agricultural productivity and soil degradation in a greater extent. Organic matter status of the soil of humid tropical countries is generally low. Maintenance of soil organic matter is very important for the concept of sustainable productivity. It is estimated that in cities and rural



areas of India nearly 700 million organic wastes are generated annually which is either burned or land filled which turns to a mere waste. In such a content it is essential that the agricultural practices give priority to the agro-forestry or herbaceous legume based cropping system based on local conditions and regulate soil fertility by biological processes. This could be done by increased efficiency of the use of natural resources, which is otherwise known as organic farming. Vermicomposting is one of the practices of Organic farming. In this report a simple biotechnological process of Biocomposting is described which would turn to a good manure and would substantially reduce our dependence on chemical fertilizers and save soil and expenditure on fertilizers. The pivotal principle is sustaining the fertility of the soil to minimize the use of nutrient input from external sources and at the same time reduce the losses from within the system.

Vermicomposting is a controlled Biological decomposition process that converts organic matter to a stable, humus-like product in which certain species of earthworms are used to enhance the process of waste conversion and produce a better end product. The process depends upon the microorganism, which utilize decomposable organic waste both as energy and food source. Vermicompost is the stable fine granular organic matter, when is added to clay soil it loosens the soil and provide the passage for the entry of the air. And it is nutritionally rich natural organic fertilizer, that releases nutrients, relatively slowly into the soil and thereby improves the quality of the plants along with the physical and biological properties of the soil. It is greatly beneficial upon plants than soil. Vermicastings have immobilized enzymes like protease, lipase, amylase, cellulose, lichenase and chitinase which keep on their function of biodegradation of macromolecules of the agricultural residues in the soil so that further microbial attack is speeded up. The present study helps to analyze and create a consumer awareness on the chemical nutrients of Vermicomposts and their effects on the growth of vegetative crop.

MATERIALS AND METHODS

Vermicompost was taken and analyzed in the present study. The compost samples were collected in Ziploc polythene bags and were brought to the laboratory for investigation. The soil aggregates were broken up for grinding with pestle and the mortar and the sample was spread for drying. After drying, the sample was passed through 2 mm stainless steel or plastic sieve. Approximately 500 g compost/soil samples were kept in clean polythene bags with proper labeling for analysis of different chemical parameters like pH, conductivity,



TDS, Sodium, potassium, chloride, nitrate, calcium, magnesium. These experiments were held for two months (June to July). Further investigations were carried out in the glass house at $25\pm 2^{\circ}$ C at 15-30 day night photoperiod. Each treatment was conducted in triplicate. First we took 3 pots and 3 pots were filled with vermicompost (1 kg each), and further three pots were fed with garden soil (control) (1 kg each). Five tomato seeds were sown in each pot at the depth of 5 cm. After that seeds were allowed to germinate for 1 week. It was checked regularly and was watered regularly for 1 month and the unwanted weeds were taken out. Water was poured after 2 to 3 days, till the tomato plants were grown fully. After that the tomato plants were measured every week along with the number of levae. It was observed that the vermicompost treated plants showed maximum growth than the tomato plants grown in the pots fed with the garden soil (control).

The main aims and the objectives of the study were

- To determine the nutrients present in (Vermicompost and garden soil).
- To assess the impact of vermicompost on the growth of *Lycopersicon esculentus*.
- To create awareness among farmers and consumers.

RESULTS AND DISCUSSION

Vermicompost improves the physical, chemical, biological properties of soil. There is good evidence that vermicompost promotes growth of plants and it has been found to have a favourable influence on all yield parameters of crop yields like, wheat, paddy, and sugarcane (Ismail.,1997; Ansari.,2007). Due to their different production processes, compost and vermicompost might exhibit different physical and chemical features which might influence plant growth and morphology in diverse ways. The use of compost in horticulture has shown to be occasionally limited by the high electrical conductivity and the excessively high amount of certain ions causing phytotoxicity as a consequence of the chemical properties of the initial waste and/or inadequate operation processes. These adverse effects, although possible, are less likely to occur when vermicompost is used as potting amendment (García-Gómez et al., 2002,) (Chaoui et al., 2003). Vermicompost has found to effectively enhance the root formation, elongation of stem and production of biomass, vegetables, ornamental plants etc. observed that integration of vermicompost with inorganic fertilizers tended to increase the yield of crops viz- potato, rape seed, mulberry and marigold over other traditional composts.



The result showed that vermicompost has a rich source of nutrients content than the garden soil. From the results (Table 1) it was found that the pH of vermicompost and garden soil was 8.4 and 7.95 respectively. The results demonstrate a significant increase in conductivity (3.2Mmho), TDS(2600 mg/l), Na⁺ (92 mg/l), k⁺ (1700 mg/l), Cl⁺ (15 mg) , Mg⁺ (9 mg) N₂⁺ (1.3) Ca⁺ (9 mg) respectively. This indicates that vermicompost has higher nutrient content than the garden soil. Due to high nutrient content in vermicompost the tomato plants showed a maximum growth than the garden soil.

CONCLUSION

Thus the results indicate that integrated effect of all the nutrients present in vermicompost results in the increased growth of *Lycopersicon esculentus* plants in a very short period of time. Vermicompost also played a crucial role in improving soil properties, increase crop yield and has a tremendous effect on the growth of *Lycopersicon esculentus* as compared to garden soil (control).

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**EVALUATION OF MARKETING IN THE TIRUCHENGODE
AGRICULTURAL PRODUCERS CO-OPERATIVE MARKETING
SOCIETY LTD., TIRUCHENGODE, TAMIL NADU.**

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ABSTRACT

Every year farmers in India produce around 400 million tones of various farm products. Presently many agencies viz., private traders, commission agents, brokers, dealers, manufacturing agencies, processors, regulated markets, cooperatives, commodity corporations, commodity boards, public sector bodies, and multinationals are involved in the marketing of these farm products. An appropriate institutional system of agricultural marketing for inputs and outputs is essential for a healthy functioning of a competitive market setup. As an added measure, such a marketing system should be helpful for social and economic development on democratic lines. It should also help to maximize growth of the agricultural sector. It should offer attractive and profitable opportunities to farmers to produce a variety of farm products. It should ensure proper post-harvest handling and promote an optimal trading scenario. The cooperative marketing societies assume immense importance in all these contexts. Marketing is a comprehensive term covering a large number of functions. Recently the concept of cooperative marketing has broadened considerably. It includes not only purchases and sales of products, but also the various business activities and process involved in bringing the products from the producer to the consumer. So an efficient and organized marketing is essential for the healthy growth of any community. At this condition, cooperative marketing can prove very beneficial and off course the only solution. The Tiruchengode Agricultural Producer's Co-operative Marketing Society is a model for the State.

INTRODUCTION

The success story traces back its unique of service, fair treatment for overcoming distress sale ensuring sustained growth, with stability and equity in agricultural development through a renewed and consolidated efforts one and all. Indeed, the agriculture produce



purchase and the services wing are the two key instruments that were thought fit to promote growth, stability and equity in Indian Agriculture. The Tiruchengode Agricultural Producers Co-operative Marketing Society Ltd.,(TCMS) was setup up promote the interest of the tillers of the soil with 49890 members in order to make happen economies of scale with low transaction cost of services.

ORIGIN OF THE TCMS

Not only the farm producers is deprived of legitimate return for his product, but also the customer suffer on account of high margin-spread between producers and consumer. To eliminate monopoly roles and contain the evil effects of middlemen and cut throat competitions in the agricultural marketing, the Tiruchengode Agricultural Producers Co-operative Marketing Society Ltd., was started on 30th April 1930 in the name and style of “The Tiruchengode Cooperative Sales Society Ltd. Tirichengode” by the sheer efforts of some real Cooperator. Later on, 6.80 acres of land at the foot hill of Lord Arthanareeswara Temple was acquired for the use of the Society under Government land acquisition proceedings in the year 1939 and an office cum godown was constructed, the foundation stone laid down for the marketing of agricultural crops with special emphasis on cotton confining to the area of Namakkal and Salem District. The Konganapuram and Mallasamudram branch was established in the 05.12.1936 and 16.07.1975 respectively.

CO-OPERATIVE MARKETING AND TCMS

In agricultural marketing, we include all those activities, arrangements and preparations which help farmer in the disposal of the farm product. Fulfilling the basic aims of Co-operative marketing viz. establishing market centres wherever such facilities are not available to the farmer members to market their produce rendering services for better returns. The society has set out its objectives clearly to arrange for marketing of Agricultural Produce of the agricultural members at a reasonable and better price, to distribute farm input requirements of the agriculturist. In order to eliminate the monopoly roles and to control the middlemen and cut-throating competitors between the line of production and sales, The Tiruchengode Agrl. Producers Co-op. Marketing society Ltd., Tiruchengode was started on 30.4.1930 at the foot hill of Lord Arthanareeswara having registered on 16.04.1930 to give up liftmen to the



farmers and other agricultural members. The area of operation of the society is confined to the whole of Salem and Namakkal Districts in respect of coverage and admission of agricultural members.

THE MAIN OBJECTS OF THE SOCIETY ARE

1. To arrange for the marketing of Agricultural produce of the agricultural members at
2. Reasonable price,
3. To advance loans on the pledge of Agricultural produce and Jewels,
4. To effect recovery of crop loans issued by the Primary Agricultural Co-op. Banks through the sale of produce of the members,
5. To distribute input requisites of the agriculturists,
6. To supply other necessities of life to the members and public.

BRANCHES

The society is having two branches; one at Konganapuram, which was started on 5.12.1936 and the other at Mallasamudram, which was started on 16.7.1975. Also, there are seasonal agri. Marketing centers at Thevoor and Jelagandapuram.

MEMBERSHIP AND SHARE CAPITAL

The total number of members as on 31.07.2015 was 95931 with a paid-up share capital of Rs.14,64,553.00 Of the total members, 64,703 were members and 31228 were associate members. The Government share capital outstanding as on date is Rs.4,80,000/-.

BORROWINGS AND DEPOSITS

The maximum borrowing power of the society is 8 times the paid up share capital plus Reserve Fund. The amount outstanding towards Government loans, deposits and staff security deposit as on 31.07.2015 were to the tune of Rs.14.48 Lakhs Rs.3619.21 Lakhs and Rs.54.85 lakhs respectively. The loans received from the Government were only for the construction of Godowns, Modernisation of Huller Rice Mill and for the distribution of consumer articles. The society has got cash credit accounts with the Central Coop. Bank Ltd., Salem to meet its marketing operations. The society has got deposits collected from its members as on 31.07.2015 as indicated below.

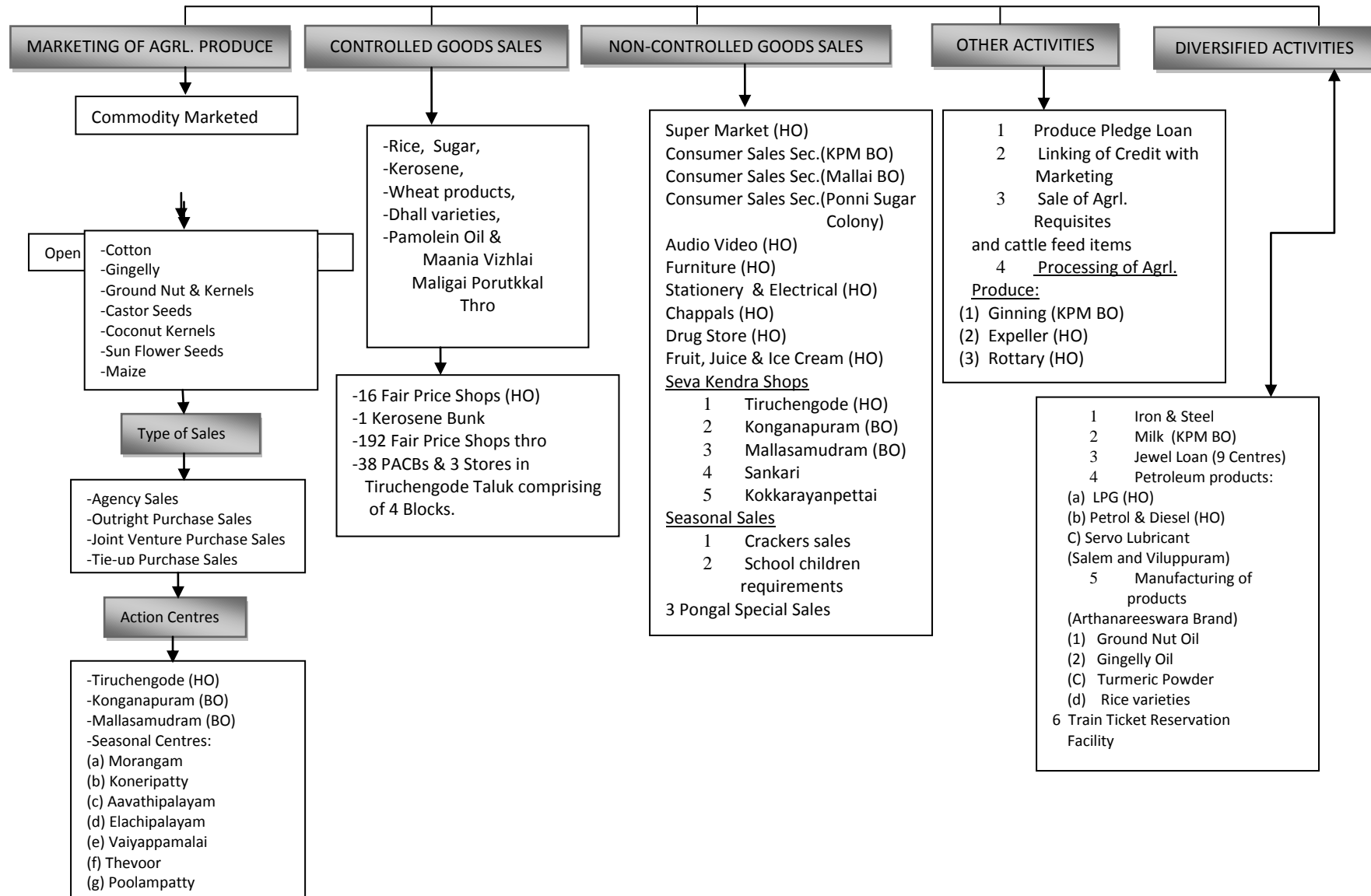
DEPOSITS POSITION

1	Tiruchengode Head Office	Rs.	16,55,42,700.00
2	Konganapuram Branch	Rs.	11,59,64,970.00
3	Mallasamudram Branch	Rs.	8,04,13,000.00
	Total	Rs.	36,19,20,670.00



THE TIRUCHENGODE AGR. PRODUCERS CO-OP. MARKETING SOCIETY LTD., TIRUCHENGODE

FUNCTIONAL CHART





IMPORTANT ACTIVITIES

(1) MARKETING

The main crops cultivated and marketed in the area are Cotton, Groundnut, Gingelly, Castor seeds, Coconut kernels, Sunflower Seeds and Turmeric. The season for summer Cotton is from July to September, and winter cotton is from December to April and for Groundnut from September to February, for Gingelly from June to August and for Castor seeds from December to March. The general calendar of crops shown and marketed in the area is given below

S.No	Name of the Crops	Seasonality for Cultivation	Period	Seasonality for Harvest
1	Maize	1) April, May 2) June, July 3) Sep, Oct	90 Days	1. Aug. Sep 2. Oct, Nov, 3. Dec, Jan
2	Sun Flower Seeds	1) Jan, Feb 2) Sep, Oct	90 Day	1. May, June 2. Dec, Jan
3	Black Gram	1) June, July 2) Sep, Oct	75 Days	1. Sep, Oct 2. Dec, Jan.
4	Green Gram	April, May, Jun	75 Days	July, Aug, Sep
5	Turmeric	May-June	10 Months	April-June
6	Cotton (Winter) Cotton (Summer)	Feb – March Sep - Oct	5 Months 5 Months	July – Sep Dec – March
7	Gingelly Seeds	Feb, March	110 Days	May – July
8	Groundnuts (Winter) Groundnut (Summer)	May – July Nov, Dec	4 Months 4 Months	Oct – Dec March, April
9	Castor Seeds	May - July	9 – 10 Months	Jan – April
10	Coconut Kernels (Maximum Production Season)	June – Aug Jan - March	5 Months 5 Months	Jan – March July – Sep



SERVICE CHARGES COLLECTED

Commodities	Ryots service charges	Merchants handling charges
Groundnut	2.00 %	Rs. 11.00 per bag of 60 Kg.
Cotton	2.00%	1%
Gingelly	2.00%	Rs. 15.50 per bag of 75 Kg.
Castor seeds	2.00%	Rs. 9.50 per bag of 75 Kg.
G.nut kernels	1.00%	Rs. 7.50 per bag of 80 Kg.
Coconut kernels	1.00%	Rs.11.00 per bag of 64 Kg.
Maize	2.00%	Rs.13.00 per bag of 100 Kg
Sun Flower Seeds	2.00%	Rs.10.00 per bag of 50 Kg
Turmeric	2.00%	Rs.9.50 per bag

Important Benefits to Ryots

1. Accurate weighments
2. Minimum and Reasonable service charges.
3. Maximum and Reasonable price to the farmers.
4. Immediate payment.
5. No wastage of produce.
6. Godown facilities and produce pledge loans.

(2) DISTRIBUTION OF AGRICULTURAL INPUTS, IMPLEMENTS AND

OTHERS

The society distributes agricultural inputs like chemical fertilizers, seeds, oilcakes, cattle feeds etc., and supplies agricultural implements to the ryots. The society distributes all these agricultural inputs through its 3 Seva kendras situated in the rural areas of Tiruchengode and Idappadi Taluks.

(3) STORAGE FACILITIES

In order to market the agricultural produce brought by the farmers and to keep the stocks in safe custody until the sale proceeds dues are collected from the merchants who purchased the same in auction sales, the society maintains several godowns of its own.



Nextly, to store the input requirements of the agriculturists and to store the stocks purchased in outright, the society maintains godowns. Further, for storing the non-controlled commodities under Village shop programme and for storing the available controlled goods under PDS, the society maintains godowns. All the godowns are fully utilized for these purposes.

(4) LINKING OF CREDIT WITH MARKETING.

The society is implementing the scheme of linking of credit with marketing. The scheme is implemented during the period of cotton and groundnut harvest seasons.

(5) LOANS TO MEMBERS

(a) Produce Pledge Loan

The Society is advancing loans on the pledge of produce so that the farmers can store their produce and sell them at a better price. During the year 2015-2016 the society has advanced (up to July'15) Rs.110.22 lakhs as produce pledge loan.

(b) Jewel Loan

The society has got own funds of Rs.4151.68 lakhs as on 31-03-2015. The society could use these funds only during harvest seasons. During off seasons, the society could not utilize the funds profitably but only invested in banks at a lower rate of interest without proper utilization. Hence, the society advances loans to members on the pledge of Jewels from 04-10-94 onwards to get better returns. By harnessing the available funds in Jewel loans, the society is now able to deploy them profitably.

PROCESSING ACTIVITIES

The society owns six Rottaries at Tiruchengode to process the Agrl. Commodities purchased by the society in outright and from its own marketing yard and to process the agricultural commodities of its members. The Society is manufacturing "ARTHANAREESWARA" Brand Agmark Gingelly oil, Agmark Turmeric Powder and Arthanareeswara Brand Agmark Rice varieties packs in polythene pouches and bags and sells through its retail outlets and also supplies to other Co-op. Institutions.



(6) VILLAGE SHOP PROGRAMME AND PUBLIC DISTRIBUTION SYSTEM

(a) Sale of controlled commodities.

The society owns 24 Fair Price shops and Kerosene Bunk in Tiruchengode town and distributes controlled goods to the public. The society as a lead society supplies controlled goods to the 230 Fair price shops run by 37 Primary Coop. Banks and 2 Primary Co-op. Stores in Tiruchengode taluk. Out of the total of 254 Fair Price Shops, Non-controlled goods supplies are made to 230 Fair Price shops and to 24 Fair Price Shops owned by this society.

(b) Sale of Non-Controlled Commodities.

Besides the fair price shops, the society runs its own consumer branches in Tiruchengode, Mallasamudram and Konganapuram where all Groceries and Cosmetic items at are sold at cheap rates to the public competing with the private traders. The society also sells the goods like Stationery and Electrical, Medicines and Drugs, Iron & steel, chappals, Milk, Cottonseed fodder, Bran, oil cake etc. through its own shops and through the sevakendra shops opened in rural areas to facilitate the farmer members.

(c) Self Service Section

The Society has constructed a separate 2 stored building for its self-service sales section at a cost of Rs. 36.44 Lakhs. The sales was commenced with pleasure by the Registrar of Coop. Societies on 29.3.95. Nearly 4500 items are stored in the section and the average sales amount including Stationery items, Electricals, Audio, Video and Furniture etc., is Rs.4.00 lakhs per day.

OTHER ACTIVITIES

(1) PETROLEUM PRODUCTS

(a) Liquefied Petroleum Gas.

The society as a distributor of Indane Gas, distributes L.P gas cylinders, stoves and appliances to the public of Tiruchengode town from 1984. The society maintains 40564 domestic and 2729 Non-domestic LPG connections in Tiruchengode Town. The LPG Section of the Society has bagged the Best Distributor Award (First Prize of Rs.50,000/-) in South



India for its overall standard of best performance during the year 1989-90, and Best Distributor Award (Prize of Rs.10,000/-) in Coimbatore Area for the year 1994-95. The society has got 2nd prize at the state level for the highest sales of commercial cylinders during the period from 1-4-07 to 31-12-07.

(b) Servo Stockistship (Automotive Lubricants)

The society has been appointed as a Servo oil Stockist for Salem District by the Indian Oil Corporation Ltd., as per letter ref. No. TNSO/SSA/LOI dated 22-08-2003 of the Indian Oil Corporation, Chennai.

(c) Petrol Bunk

The society has also been appointed as the Retail dealer of the Indian Oil Corporation for the sale of petrol and diesel in the premises of the society at Tiruchengode. It has commenced its petrol and diesel sales business respectively on 05-02-04 and 26-04-04 and the sales performance is very much encouraging. The society has been awarded for its best performance taking **1st place for the sale of Petrol in Namakkal District.**

The society has also been appointed as dealer of the Indian Oil Corporation for the sale of **AUTO LPG** in the premises of the society at Tiruchengode. It will commence very shortly.

(2) LORRIES AND TRACTORS

The society owns three Lorries and two tractors which are lent to members on nominal hire charges and for the use of the society.

(3) DAIRY SCHEME

Besides its major marketing activities, the branch at Konganapuram is also running a Dairy Scheme from February 1971 in order to strengthen the economic conditions of the farmer-members. In the beginning of the scheme, milk could be procured only from 52 members and the daily average quantity of milk despatched to the then Tamilnadu Dairy Development Corporation, Erode unit was only 95 litres. Then the scheme gained quick momentum and the value of milk procured at present rose to Rs. 52.13 lakhs per annum by an average supply of 600 liters of milk per day.



(4) MEDICAL STORES

Through its medical stores, the society distributes drugs and medicines for human beings, at reduced rates offering up to 15% discount to the customers and that it stabilizes the market price.

(5) STATIONERY & ELECTRICAL GOODS SALES

The society in the head office at Tiruchengode one Stationery and Electrical goods section in which all the stationery requirements of the school going children and the Electrical goods such as switches, bulbs, tubes, fans etc., to the public are sold at cheap cost. Further, these stationery and electrical goods are supplied to the local bodies, schools and Government organizations also.

(6) IRON AND STEEL SALES

For meeting the house and other building construction requirements, the society purchases ISI Mark Iron Rods from reputed concerns like TATA TISCON ranging from 6mm to 25mm and distributes to the public. The sales progress made by the society is very much appreciable, since quality products are sold at cheap cost.

(7) SEVAKENDRA SALES

The society is running 3 agro based goods sales Centres called Sevakendras in the areas of Tiruchengode, Konganapuram and Mallasamudram to distributes agricultural inputs, non-controlled goods, cattle fodder items, chappals etc. to benefit the farmer members and the general public at their door steps.

(8) MOBILE PHONE RECHARGE CARDS AND TOPUP CARDS SALES

The society is also acting as a Direct Selling Agent of the BSNL for sale of mobile phone Recharge Cards and Top up Cards and also acting as an agent of Aircell in the sale of Recharge cards from March 2007. The Cards are made available to all consumer sales sections and to all the Fair Price Shops in rural areas.

MANAGEMENT

The management of the society is vested with the President, Joint Registrar/Managing Director and Board of Directors with effect from 11.06.2013. The total number of staff members working in the society is 144 (+) PDS employees 37.



NET PROFIT POSITION (Rs.in Lakhs)

Year	Profit (Rs.)
2010-2011	81.69
2011-2012	224.37
2012-2013	244.68
2013-2014	349.62
2014-2015	(Tentative) 478.20
2015-2016 (Up to July'15)	(Tentative) 148.98

GENERAL PERFORMANCE

The society is working profitably from its inception onwards. The society has thrice been awarded with "Dr. Punjab Rao Deshmukh Award" by NAFED, New Delhi for its best performance in marketing of agricultural produce during the years 1989-90, 1990-91 and 1993-94. In addition to this, cash award of Rs.10,000 each for the years 1989-90, 90-91 and 1993-94 has also been provided to the society. Further, the society is getting Awards many times as the best Co-operative Marketing Society in the State of Tamil Nadu. The society pays 14% dividend to its members and Bonus as per Bonus Act to its employees. The society has continuously been placed in "A" Class under Audit.

Details of Agricultural produce marketed during the year 2014-2015

(Branch wise) (Qty in M.T., Value Rs. in lakhs.)

S.	COMMODITY	TIRUCHENGODE HEAD OFFICE		MALLASAMUDRAM BRANCH		KONGANAPURAM BRANCH		TOTAL	
		QTY	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE
1	COTTON	165.391	165.41	1985.42	1261.29	16099.43	7295.58	18250.24	8722.28
2	G.NUT PODS	104.510	20.32	192.394	41.30	1278.450	217.93	1575.354	279.55
3	GINGELLY	998.099	883.97	-	-	486.167	458.88	1484.266	1342.85
4	CASTOR SEEDS	1.231	0.41	-	-	-	-	1.231	0.41
5	G.NUT KERNELS	0.606	0.27	-	-	-	-	0.606	0.27
6	COCONUT KERNELS	-	-	266.715	251.50	446.564	406.32	713.279	657.82
7	TURMERIC	6650.869	4447.07	-	-	-	-	6650.869	4447.07
8	SUN FLOWER SEED	5.451	1.68	-	-	-	-	5.451	1.68
	TOTAL	7926.15	5519.13	2444.53	1554.09	18310.6	8378.71	28681.303	15451.9



SALIENT FEATURES OF THE SOCIETY

The following salient features are the key factors for the success of the Tiruchengode Agrl. Producers Co-op. Marketing Society.

- The financial position of the society is very sound with self-reliance. Effective financial management and low cost of fund are the assets.
- The achievement made by the society to the total marketing of agricultural produce of the State is 25 to 30%.
- The agricultural members of the society are loyal and genuine in their interest for the welfare of the society. The staff members are hard and honest working.
- The society enhances its professional management with greater efficiency and business acumen so as to take up the increasing competitive environment.
- The society carries out successfully all business activities - agricultural and non-agricultural to the tune of Rs.316 Crores per annum.
- Its pays maximum patronage bonus of 50% to its members according to their usage and pays maximum bonus to staff as per the Payment of Bonus Act.
- A sound environment coupled with dedicated and motivated staff under the able guidance of Government officers in the rank of Joint Registrar of Cooperative Societies has helped the society to achieve distinctions as the No.1 Co-op. Marketing Society in India.
- The society has bagged **Dr. Punjab Rao Desh Mukh** Awards thrice for its overall best performance in India. It has also got a best distributor award for the year 1989-90, 1990-91 and 1993-94 LPG distribution in south India. The society is also adjudged as the best co-op. marketing society in the state of Tamilnadu.
- The society is earning a considerable amount of net profit every year and is placed under 'A' Class in Audit continuously.
-

FUTURE PLANS AND PROPOSALS OF THE SOCIETY

- ✓ Farmers Information Centres (FARMERS KIOSK) in Tiruchengode, Konganapuram and Mallasamudram.
- ✓ 1000 M.T. Godown at Mallasamudram Branch
- ✓ Auto LPG Dispensing System (ALDS) in Tiruchengode (to be provided by IOC)
- ✓ Seed Multiplication Scheme for MCU5 and SURABI Cotton varieties.
- ✓ Processing of Fruits and Vegetables under post harvest value addition process.



- ✓ Modernisation and manufacture of Gingelly Oil, Vegetable Oil etc. under value addition process.
- ✓ Turmeric and Masala powder units under value addition process
- ✓ Creation of Infrastructure facilities to Clean, Grade, Pack and Market Fruits and Vegetables under post harvest activity.
- ✓ Establishment of Cold Storage under post harvest activity.
- ✓ Establishment of packaged drinking water plant.

REASONS FOR THE SUCCESS OF TIRUCHENGODE CMS

1. Self Reliant Institution - Sound financial position.
2. Sound Marketing and Processing infrastructure.
3. Professional and dedicated Managers.
4. Loyalty of Members.
5. Employees with honesty and integrity.
6. Sound and strong Management Principles.
7. Business ethics and tactics.
8. Multifarious Business activities under one roof.
9. Persistent Monitoring and Governance.
10. Sustainable development and steady growth.

CONCLUSION

The TCMS is probably one of the few stars in the firmament among the cooperatives. It is functioning well withstanding the transition to a market economy and globalization. The range of activities from running a grocery super market on par with modern multinational chain retail stores to market intervention for the produce of farmers like cotton is indeed a wide range. TCMS plays an important role in rural and economic development. The society provides multi level of services to its members and non members. The society has got “shield” as the best working co-operative marketing society in the state during the year 1962-1963 for the marketing of agricultural produce. The society has bagged DR. Punjab Rao Deshmukh award thrice for its overall best performance in India.

The financial strength measured in crores to the turnover of about Rs.110 crores per annum is based on the core value of its employees’ Honesty, Hard work, Quality and Initiative. It gives an idea like ‘AMUL’ of what a Cooperative can achieve and it is an example to the world.



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THE IMPACT OF MASS COMMUNICATION ON SOCIETY

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Mass Communication has evolved out as a discipline from the womb of Industry. Suitable inputs from Sociology, Psychology, Philosophy and Political combined with today's science and most wanted Information technology contribute more to the coining of the term 'Mass Communication'. This new term is the most sought after ,fascinating and yet complex discipline of all.

A psychologist will have a psychological effects/the sociologist, the social effect/the Anthropologist, the cultural effects/a politician ,the political effect/the Economist, the economical effects/the preacher, the moral effects/the advertiser, the market. The most quick and fast changing among these different media's is the Electronic Media. This particular media is transforming every aspect of man's life and reconstructing civilization.

Without Mass communication an Individual could never become part of modern society. Once a child is born he/she becomes to have a direct contact with the society and to the environment it has to live. The child begins to intimate them and it relies heavily on media device and its models. The satellite tv ,digital TV, cable are the great invasions of the urban India. It has caused a great concern to the existing society. With so much time is completely given to view television. Parents are more worried that little or no time will remain for conversation in the family for family get-togethers and for family visits.

In today's scenario every parent is worried how this media is influencing their children physically and mentally. There is tremendous change in their behavioral attitude of the younger ones. Most of children's programmes seems to have been designed mostly to attract more numbers of viewers. A child at home never wants to miss even a single episode of the programme. The television is an essential commodity or at times it becomes more like a member of the house in every Indians house whether be it rural/urban area.



Socialization is a life-long active process and as children grow up they come into contact with other social groups. For example the mass media which gives the children access to remote groups and their cultures. The next vital function of mass-communication in the sphere of politics is of grave importance to India since more than anything else. The mass media is fully exploited by our leaders for political propaganda.

The mass media should help in public participation in national and regional policies. The spread of mass media is mostly restricted to the urban areas. The term “media audience” depends on one’s perspective on the role of communication in society. If one looks upon communication as a commodity and media as tools for selling that commodity then a media audience would be no better than a potential market for products. The media depends on its audience, their viewers. The response of the audience to the media is unpredictable. They need the messages of the media, negotiate its various meanings, accept or reject it. They do not interact with media messages as a mass but rather as a family, cultural group, a social class. Media is an integral part of social history and cultural values of the audience.

Advertising is also a powerful but most difficult form of communication. It is a vital marketing tool which facilitates the selling of products, services and even the change of attitudes at large on social issues for the benefits of societies at large. Advertising is a component of marketing mix that determines the kind and the nature of advertising and its strategies.

Mass communication does influence social values and practices but this influence is always in combination with a whole lot of other socio-cultural and economic and political factors. In India Mass Communication has now expanded into comprehensive and critical account of recent development in the media industries. Communication will thus become more research based multimedia and multi disciplinary oriented. In future if mass communication is to have its maximum impact, some basic defects and deficiencies in the system must be removed.



Mass communication and Journalism are the two sides of the coin which shape the society in a better manner. It is generally agreed that mass media of communication would have a key role in the building for our democratic policy and illumination of our social fabric. In future if mass communication in India is to its maximum impact one must undertake intensive and extreme research in respect of media and their programmes and audience profiles to ascertain which media mix should be used for what purpose and what strategies would be more relevant or appropriate for a promising future.

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A STUDY OF CORPORATE GOVERNANCE IN INDIA

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ABSTRACT

Policy makers around the world have focused on corporate governance reform since the Asian financial crisis and scandals in the United States such as the Enron debacle. In particular, policy makers have focused on the establishment of independent audit committees to improve investor confidence in reported accounting information. In a sample of East Asian companies, we find that the negative relation between concentrated control and earnings informativeness that was documented prior to the Asian financial crisis persists in a more recent period, even though many corporate governance reforms have been adopted since the crisis to improve financial disclosure. We do, however, find that earnings informativeness is strengthened by both fully independent audit committees and audit committees with a majority of independent directors with accounting financial or legal expertise. In addition, the increased reliability that is associated with these audit committee characteristics appears to more than offset the detrimental effect that is associated with concentrated control. The results in this paper suggest that an emphasis on audit committee independence alone may not be enough to enhance earnings informativeness. Instead, focusing on both complete independence and the financial or legal expertise of independent directors who are appointed to the audit committee may be a more fruitful way to increase investor confidence in accounting information, especially when ownership is concentrated.

Keywords Corporate Governance; Ownership; Earnings Informativeness; Audit Committee

INTRODUCTION

In a developing country like India corporate plays a major role in the economic development, the various activities in a country depends upon the working of corporate it provides employment to majority of people in the country therefore the proper functioning of corporate is essential for the development. Whatever be the nature of work, everything needs a proper functioning for smooth handling of resources available for which proper code for administration has to be followed. In order to manage the proper working of a corporate a proper set of rules has to be followed. Therefore “Corporate Governance “emerge to



determine the proper and efficient functioning of any activity proposed and done in any type of enterprise. In ordinary language “Corporate Governance refers to the set of systems and principles by which organizations are run and the laws, regulations and best practices with which they are required to comply”. In the words of ICSI , “Corporate Governance is the application of best management practices, Compliance of law in the true letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders”.

PURPOSE OF CORPORATE GOVERNANCE

Due to economic instability and impacts of Great Depression of 1930 the emphasis was laid on the need for Corporate Governance in the world. The purpose of Corporate Governance is to have a demonstrable impact on the Corporation’s Financial Performance.

To outline the goals and objectives of each business contract

Helps to know the role, privileges and duties of each individual in an organization.

WHY DOES CORPORATE GOVERNANCE RECEIVED MORE ATTENTION TODAY?

1. Raising of scandals and crisis
2. Technological progress
3. Privatization policies
4. Financial markets and Trade Liberalization
5. Programs of deregulation and reforms

CORPORATE GOVERNANCE IN INDIA

- ✓ In INDIA Corporate Governance is a old concept.
- ✓ The evidence of Corporate Governance in ancient times are seen in Ramayana, Mahabharatha, Arthashastra and the four Vedas (Rig, Yajur, Sama and Artharvana).
- ✓ In Ayodhya Kand of Ramayana it was said that the main value to be taught is to provide “the maximum happiness for the maximum number of people for the maximum period, based on the principles of Dharma – righteousness and moral values “



TIMELINE OF CORPORATE GOVERNANCE WORKING IN INDIA

1. **1956** Companies Act Limited governance and disclosure standards
2. **1992** Formation of SEBI (Securities and Exchange Board of India)
3. **1998** CII (Confederation of Indian Industry), India's largest industry and business association comes up with the first voluntary code of corporate governance
4. **1999** SEBI sets up a committee for good corporate governance under Kumar Mangalam Birla.
5. **2000** SEBI ratifies the committee's key recommendation and integrates them in clause 49 of the Listing Agreement
6. **2002** Establishment of the Narash Chandra committee to examine various governance issues
7. **2006** Revision of clause 49
8. **2008** Introduction of the Companies bill
9. **2013** Passing of new Companies Act

DESIGNING OF CORPORATE GOVERNANCE CODE

- In December 1995, Confederation of Indian Industry set up a task force to design a voluntary code of corporate governance.
- The final draft of the code was widely published in 1997.
- In April 1998, the code was released. It was called *Desirable Corporate Governance Code*.

WORKING OF OTHER BODIES FOR CORPORATE GOVERNANCE

1. MINISTRY OF CORPORATE AFFAIRS

- Primarily concerned with administration of Companies Act 1956 and other allied acts.
- It has appointed Naresh Chandra committee on Corporate Audit and Governance in 2002
- It has setup National Foundation for Corporate Governance in association with CII, ICAI and ICSI as a non-profit trust.



2. SEBI

- SEBI was established on 12th April 1992 in accordance to the SEBI act 1992.
- SEBI monitors and regulates Corporate Governance of listed companies in India through clause 49 of listing agreements.
- Clause 49 of listed agreement comes into effect on 31st December 2005.

3. CII

- CII has been the forefront of the Corporate Governance movement in India.
- In April 1998 CII, India's Premium Business Association unveiled India's first Corporate Governance code.

Thus with the help of various organization and with vibrant Company Secretaries, Corporate Governance is followed properly in majority of the organizations.

BUSINESS ETHICS

Business ethics refers to a 'code of conduct' which businessmen are expected to follow while dealing with others. The term 'business ethics' came into common use in early 1970s. Firms started highlighting their ethical stature in the late 1980s and early 1990s, possibly trying to distant themselves from the business scandals of the day. The idea of business ethics caught the attention of academics, media and business firms by the end of Cold War. 'Code of conduct' is a set of principles and expectations that are considered binding on any person who is member of a particular group. Business Ethics is a relative norm and has a universal application.

NEED FOR ETHICAL BUSINESS PRACTICE

A corporate should behave ethically because it has to exist in the competitive environment. There are number of reasons why business should act ethically.

1. To protect its own interest and of the business community as a whole
2. To protect their employees and their image and reputation.
3. To build trust among the members of the society.

Ethics in marketing

To remove the unethical practices like misleading advertisements, black markets and grey markets ethics emerged in the sector of marketing.



Ethics in compliance

Compliance is about obeying and adhering to rules and authority. An ethical climate in an organization ensures that compliance with law is fuelled by a desire to abide by the laws.

CONCLUSION

It is evident from above that it is essential that good governance practices must be effectively implemented and enforced preferably by self-regulation and voluntary adoption of ethical code of business conduct and if necessary through relevant regulatory laws and rules framed by Government or its agencies such as SFBI, RBI. The effective implementation of good governance practices would ensure investors confidence in the corporate companies which will lead to greater investment in them ensuring their sustained growth. Thus good corporate governance would greatly benefit the companies enabling them to thrive and prosper.

Further, in the context of liberalization and globalization there is growing realization in the emerging economies including India that a country's business environment must be maintained and operated in a manner that is conducive to investors' confidence so that both domestic and foreign investors are induced to make adequate investment in corporate companies. This will be conducive to rapid capital formation and sustained growth of the economy. Some persons regard certain good corporate practices as 'irritants' to the growth of their businesses since they require the implementation of minimum standards of corporate governance. However, fact of the matter is that the observance of practices of good corporate governance will ensure investors' confidence in the companies which have record of good corporate governance. Further, it needs to be emphasized that practices and principles of good corporate governance have been evolved which stimulate business rather than stifle it. In fact in good corporate governance structure what is ensured is that companies must preferably follow voluntarily ethical code of business conduct which are conducive to the expansion of investment in them and ensure good outcome in terms of rates of return.



A STUDY OF SAVING AND INVESTMENT PATTERN OF SALARIED CLASS PEOPLE WITH SPECIAL REFERENCE TO COIMBATORE CITY

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ABSTRACT

The objective of the study was to determine the relationship between the savings and investments pattern among the salaried class people of Coimbatore. The data was collected through structured questionnaire distributed to peoples working in different sectors at Coimbatore. It was found from the analysis there is relationship between Annual Savings and Age, Income, Sector wise Employment, Education of people at Coimbatore. Analysis has been done through One Way ANOVA. It was propounded here that the most preferred investment options are LIC and bank deposits and most of the factors influencing investment decisions were high returns, tax benefit and safety. Keywords Annual income, Annual savings, Investment, Salaried people.

INTRODUCTION

Money Attitude of the people towards money in today“ s world is that everybody wants to enjoy the benefits of money because they have earned by hard work and efforts made on it. That's great but spending all your money is not the smartest thing to do. Saving of money help people in the long run. There could be the uncertainties of future which resist people to save for future. What happens if you lose your job tomorrow? Or the car breaks down, or the plumbing leaks through your walls? If somebody have savings for future than the uncertainties can be faced by people and stress will be less. Without money put away in savings and/or investments, people may open themselves up to other risks as well. There are many ways through people can save money one is controlling the extra expanses. For this make a list of the things which shows necessity and purchase things according to it and don“ t buy extra things that exceeds peoples expanses and also stop going to shopping complexes and malls that also reduces the cost and improves saving structure .Secondly



reduce the telephone expanses. Thirdly, reduce electricity expanses. Electricity one can save lot if one remains alert and switch off lights and fans and other electronic item immediately after their use. Similarly in case of telephone you can save by buying an affordable model and talking less on phone. Thus, your saving not only benefits you but also helps in preserving the environment by preventing wastage and contributes to the economic growth of country.

OBJECTIVES OF THE STUDY

1. To evaluate the saving habits and investment pattern of salaried class people at Coimbatore.
2. To analyze investment selection behaviour of salaried class people at Coimbatore.
3. To know the mode of investments of the salaried individuals in various investment avenues.
4. To study the factors influencing the investment pattern of the salaried individuals.
5. To study the factors influencing enquires into the profile, portfolio practices, experiences preferences & risk, perceptions, and intentions of salaried individuals

REVIEW OF LITERATURE

An empirical study of “Indian Individual Investors Behavior” by Syed Tabassum Sultana (2010) was an attempt to know the profile of the investors and also to know their characteristics so as to know their preference with respect to their investments. The study also tried to unravel the influence of demographic factors like gender and age on risk tolerance level of the investors.

Bhardwaj Rajesh, Raheja Rekh and Priyanka (2011), propounded in their study that saving and investment pattern of salaried class school teachers of govt. and private schools has depended upon income and they both get salary but the scale of the salaries are different and saving patterns that” s why is so different. Govt. teachers prefer to invest the money for emergency purposes and private teacher” s emphasis on children marriage and education.

S. Mathivannan and Dr. M. Selvakumar (2011) examined the saving and investment patterns of salaried teachers of Sivakasi Taluk, Tamilnadu and they found that there is great importance of money and money” s worth for them and They are regularly preparing budgets for Expenditures and compare it with the actual expenditure and take necessary actions if



there are any deviations has arrived so far and they are influenced by fashionable and costly items.

Dr. Varsha Virani (2012) propounded in her study that In spite of low income the teachers have been saving for future needs. The major impact on savings is due to the level of income of the school teachers. The research shows that majority of the respondents are saving money as Bank deposits for the safety of an unpredictable future. The main avenues of investment are Bank deposits and the main purpose of investment is for children education, marriage, and security after retirement.

RESEARCH METHODOLOGY

Research Design This project is based on exploratory study as well as descriptive study.

Sampling Unit Sampling unit implies that who are the respondents from the salaried class people/Investor.

Sample Size Sampling size is taken to be for convenience i.e. people fill the questionnaire for the survey.

Sampling Technique Sampling technique is the technique used to select the sample size. Convenient sampling technique is used. In this, Investors were taken according to the convenience of the research study.

Sampling design Since the information was to be taken from Investors, a questionnaire was prepared for studying the saving habits and investment pattern of salaried class people at

Data collection source The study is based on both secondary and primary data. The secondary information is collected from different published materials vis. Books, Journals, magazines & websites etc. And primary data collected by communicating with respondents through a structured questionnaire.

SUGGESTIONS

1. Today there are so many special investment schemes in market which encourage people for the saving.
2. The investors have to identify the market situation and price fluctuations in the precious metals.



CONCLUSION

Today, the living standard of the people increasing day by day so salaried class community has started realizing the importance of savings and proper investment of their savings. They avoid spending money on heavy luxurious life style and preferring the normal living standard. It is evident from the study undertaken that most of the people are saving their money for children,,s education, marriage and to fulfill the other goals of life. There is bright chances to increase the saving and investment habits of salaried class people at Coimbatore.

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A STUDY ON LIQUIDITY POSITION OF OLYMPIC CARDS LIMITED

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ABSTRACT

In accounting, the term liquidity is defined as the ability of a company to meet its financial obligations as they come due. The liquidity ratio, then, is a computation that is used to measure a company's ability to pay its short term debts. The liquidity position is the difference between the sum of liquid assets and incoming cash flows on one side and outgoing cash flows resulting from commitments on the other side, measured over a defined period, being the measure of liquidity risk. The objective of the study is to analyse the short term solvency position of Olympic Cards Limited. The research articles analytical in nature. The data has been collected from the annual reports of Olympic Cards Limited for the period between 2010-11 to 2014-15. For examining the liquidity position, the researcher has took short term solvency ratios for the past 5 years. The results show that the liquidity position is satisfactory.

INTRODUCTION

Finance is a field that deals with the allocation of assets and liabilities over time under conditions of certainty and uncertainty. Finance can also be defined as the science of money management. A key point in finance is the time value of money, which states that purchasing power of one unit of currency can vary over time. Finance aims to price assets based on their risk level and their expected rate of return. Finance can be broken into three different sub-categories public finance, corporate finance and finance. The study of finance can also take many forms, depending on the field or area of finance which one wishes to study. For instance, economics is considered a pillar of financial science, where both macro and microeconomic factors affect virtually levels of financial decisions and outcomes at all levels. Additionally, the study of behavioural finance aims to study the more "human" side of a science considered by most to be highly mathematical. This illustrates that the study of finance can, at times, be more art than science.



REVIEW OF LITERATURE

Boshwan (1999) has conducted a study on working capital management system as well as the procedure adopted by gathering views expressed by the financial executives on different aspects of working Capital Management has found that “ The raw material was the dominating factor in working capital estimation”

DELOOF .M (2003) Opines that “Most firms had a large amount of cash invested in working capital. It can therefore be expected that the way in which working capital is managed will have a significant impact on profitability of those firms. On the basis of the results obtained he suggested that managers could create value for their shareholders by reducing the number of days taken to pay their dues to the minimum. The negative relationship between accounts payable and profitability is acceptable with the view that less profitable firms wait longer to pay their dues.

OBJECTIVE OF THE STUDY

To analyse the short term solvency financial position of Olympic Cards Limited

RESEARCH METHODOLOGY

This study deals with the short term solvency position of Olympic Cards Limited for the period 2010-11 to 2014-15. For this liquidity ratios have been calculated and discussed.

RESULTS AND DISCUSSION

The liquidity ratio of Olympic Cards Limited for the period 2010-11 to 2014-15 is discussed in the following table.

Tools	2010-11	2011-12	2012-13	2013-14	2014-15
Current Ratio	2.01	2.21	4.91	4.70	2.26
Liquid Ratio	0.35	0.07	2.40	1.93	0.28
Absolute Liquid Ratio	0.32	0.03	2.39	1.92	0.27

Table 1 indicates that the liquidity ratios of Olympic Cards limited from the period 2010-11 to 2014-15. Current ratio of 21 is considered as an ideal one, on an average the company



maintained a current ratio of 32 during the study period which is higher than the required one so therefore, the company has got sufficient funds to meet out the current liabilities as and when they fall due. The liquid ratio of 11 is considered satisfactory. On an average the company maintained 101 as its liquid ratio during the study period 2010-11 to 2014-15. This shows that the company's liquidity position is fluctuating. The absolute liquid ratio of 0.51 is considered as an ideal one. On an average the absolute liquid ratio for the study period is 0.981 which is more than the ideal one. This shows that absolute liquid assets are considered adequate to settle the creditors well in time.

CONCLUSION

This is to analyse the short term solvency financial position of Olympic Cards Limited. It is found evident that the company has got sufficient funds to meet out their short term obligations well in time, and hence the financial position is considered satisfactory.

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AGRICULTURE FINANCE

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ABSTRACT

Finance is an important input of agriculture which the farmers need for agricultural purpose. Sufficient and timely credit to the farmer is therefore vital and indispensable for the rehabilitation and progress of agriculture. There is a need of finance for purchase of fertilizers and implements and for digging and deeping of wells.

Keywords Agriculture, Sufficient, Rehabilitation, Methodology.

INTRODUCTION

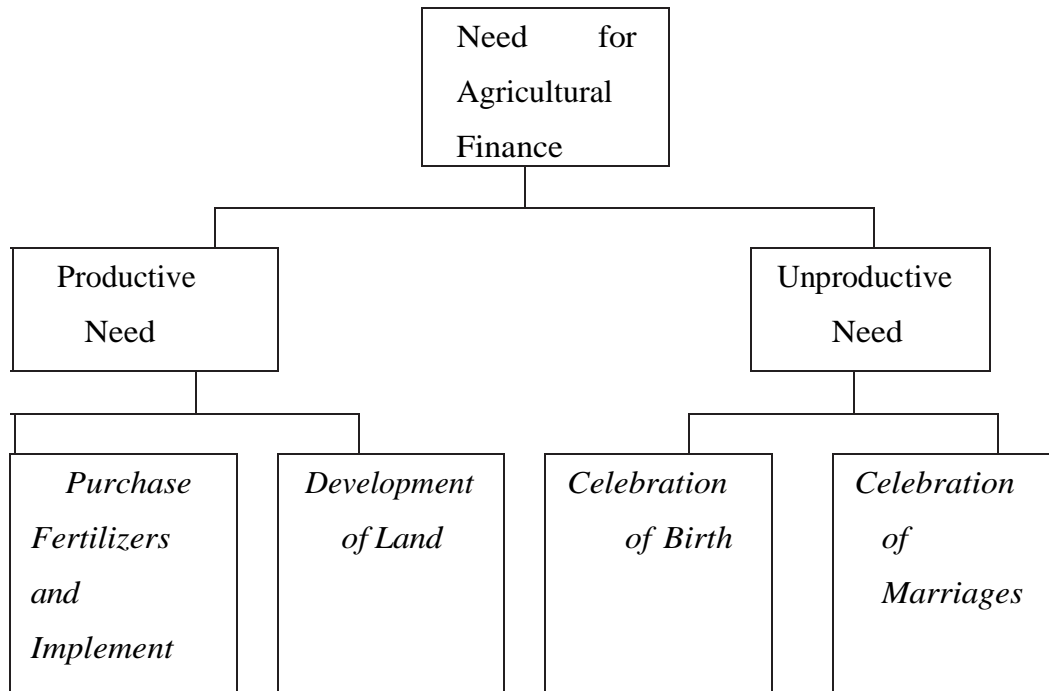
“Agricultural finance is the study of financing and liquidity services credit provides to farm borrowers. It is also considered as the study of those financial intermediaries who provide loan funds to agriculture and the financial markets in which these intermediaries obtain their loan able funds. “John B.Penson, Jr. and David A. Lins (1980).

OBJECTIVE OF THE STUDY

- To study the agriculture finance.
- To study the productive needs and unproductive needs of agricultural finance.
- To examine the role of NABARD in agricultural development.
- The need for Agricultural credits
- To study the method of business adopted for agriculture
- The Role of Agricultural Financing and it implication on Economic Growth, Food Security and Poverty Reduction.



Need for Agricultural Finance



PRODUCTIVE NEEDS

Productive needs refer to finance for purchase of needs fertilizers and implements and also digging and deeping of wells.

UNPRODUCTIVE NEEDS

- The productive purposes for which the farmer also get loan are celebration of marriages, birth and death.
- There is another classification of financial requirement of the farmer and they all fall in the productive category.

I) Short-Term Loan

Short-term loans needed for cultivation or for marketing domestic expenses.

II) Medium Term Loan

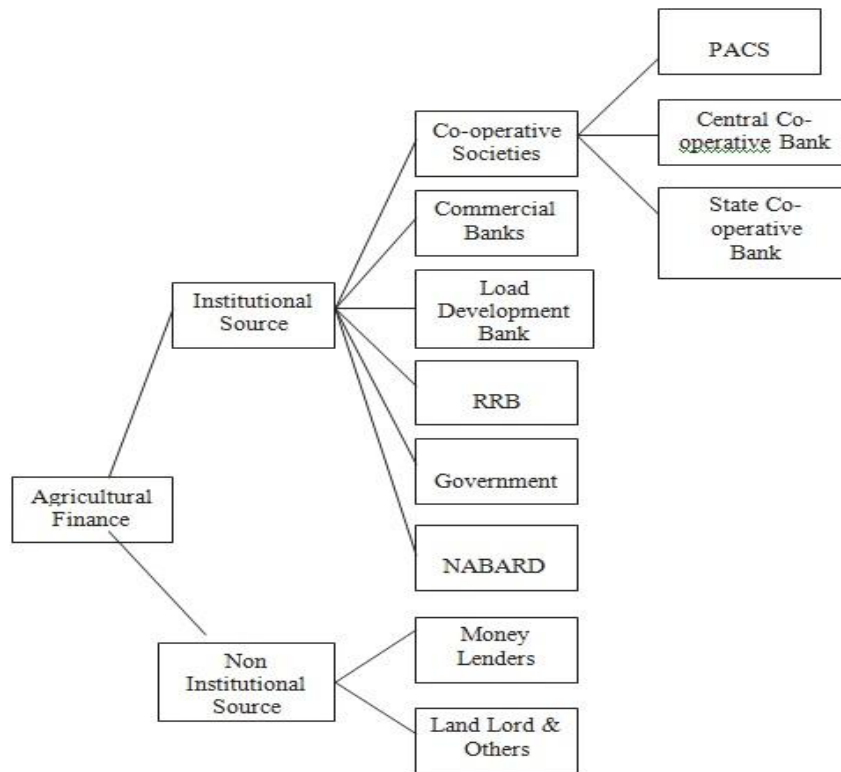
Medium term loans which range from 15 months to 5 years for making improvement of land, buying cattle agricultural implements etc.



III) Long Term Loan

Long term loan period more than 5 year required for purchase of additional land, make permanent improvements on land, and pay off old debts and to purchase costly agricultural machinery.

SOURCES OF AGRICULTURAL FINANCE



INSTITUTIONAL SOURCE

Institutional sources consist of the government and co-operative societies, commercial bank including the Regional bank, Lead bank.

1) Co-operative Societies

Indian planners consider co-operation as an instrument for economical development of the deprived farmers, particularly in the rural areas. They see in a village panchayat, a village co-operatives and village school, as the trinity of institution on which a self-reliant and just economic and social order is to be built. The co-operative movement was started in India largely with a view to providing agriculturists funds for agricultural operations at low rates of interest and projects them from the clutches of money lenders.



A) Primary Agricultural Credit Society

Primary agricultural credit societies are grass root level arms of the short term co-operative credit structure. PACs deal directly with farmer borrowers, grant short term and medium term loans and also undertake distribution and making functions. The usefulness of PACs has been rising steadily. The PACs have stepped up their advances to the weaker sections particularly the small and marginal farmers. The progress has been quite spectacular but not sufficient considering the demand of finance by farmers.

B) Central Co-operative Banks

Their main task is to lead Primary Agricultural Credit Societies in village. Central Co-operative Banks functions as intermediaries between the State Co-operative Bank and Primary Agricultural credit society.

C) State Co-operative Banks

There are now 30 State Co-operative banks in the country. These Banks are the apex banks of the Co-operative credit structure. It serves as a link between NABARD from which it borrows and lends to the co-operative central bank and primary societies village.

Objectives Of State Co-Operative Bank

- To work as the Apex bank at state level.
- To guide and supervise the functioning of district central co-operative banks, and primary co-operative agricultural societies and to develop the mutual relationship among them.
- To communicate between other co-operative societies and the district co-operative central banks.
- To carry the whole responsibility of banking business in co-operative sector.
- To make maximum extension of credit to the rural section.

2) The Commercial Banks

The commercial banks were not much bothered about agricultural finance. They were confined to the urban areas receiving deposits from the urban public and financing trade and industry. All this changed after the nationalization of banks in 1969. Now the commercial banks are providing finance both directly and indirectly. Direct finance is for agricultural



operation for short and medium periods. Indirect finance refers to advance for distribution of fertilization and other inputs. The commercial banks have implemented “Village Adoption Scheme” by 1987-88.

Land Development Banks

Land Development Banks were set up in order provide for long term finance. Previously they were called Land Mortgage Banks; the objective of the bank is to provide long term credit to cultivators against the mortgage of their lands. In additional to this the bank does the following functions.

- To open branches of the bank to different places.
- To see whether there is proper disposal of the debt given.
- To issued debentures from time to time.
- To create feeling of co-operation among the members and to promote it.
- To guide for different development projects in agriculture.
- To promote habit of savings among the members.
- To provide valuable advice to cultivators in cultivators.

These banks provide loans for

- Repayment of old loans to cultivators.
- Purchasing new land.
- Digging and construction of the well
- Repairing the well

The co-operative has the direct encouragement from the government and support of the NABARD as it had made spectacular progress. By 1981 the co-operatives were financing nearly 30 percent of the advantages of this.

4) Regional Rural Banks

The Regional Rural Banks were set up in 1975. The main objective of the RRBS is to provide credit and other facilities particularly to the small and marginal farmers, agricultural



labourers, artisans and small entrepreneurs so as to develop agriculture, trade commerce, industry and other productive activities in the rural areas.

5) The Government

These are both short term as well as long-term loans. These loans are popularly known as “Taccavi loans” which are generally advanced in times of natural calamities. The rate of interest is low. But it is not a major source of agricultural finance. The government provides finance indirectly as well as indirect.

1. Indirect financing

Indirect credit is provided through the co-operative societies.

2. Direct financing

The govt. has been financing farmers directly. Agricultural credit from the govt. is calls “Taccavi” and has a long history in India, it is provided under Land Improvement Loan Act of 1883 and the agricultural Loans Act of 1884. The government gives “Taccavi loans” to the farmers which are disbursed at the time of distress famines, flood etc. At a low interest rate of 6 percent and the repayment schedule is very convenient.

6) NABARD

The Reserve Bank of India since its formation had wanted to appoint a separate department for handling agricultural credit. The RBI had set up ARDC (Agricultural Refinance Development Corporation) for providing refinance support to the banks to promote programmers of agricultural development particularly those requiring term credit. The government needed an Apex institution to extend support and to give guidance to credit institutions in matters relating to the formulation and implementation of rural development programmers. Therefore NABARD was set up. It was set up in July 1982 and it took over the functions to the ARDC and also it took over the functions of the RBI in relation to co-operative banks and RRBs.

The main objective of the NABARD is to look after agricultural credit, it also has to provide refinance facilities to all banks and financial institution landing to agricultural and rural development.



NON – INSTITUTION SOURCE

1. Money Lenders

There are two types of money lenders in rural areas. There are rich farmer or landlords who combine farming with money-lending. There is also professional money lender whose only occupation or profession is to lend money. The cultivators depend upon the money-lenders for their requirements of cash. However, there are many reasons for the preponderance of the village money-lenders in rural area even now.

- The money lender freely supplies credit for productive and non-productive propose, and also for short- term and long-term requirements the farmers.
- He is easily accessible and maintains a close and personal contact with the borrowers often having relations with family extending over generations.
- These methods of business are simple and elastic.

2. Landlord and others

Traders and commission agent supply funds to farmers for productive purpose much before the crops mature. They force the framers to sell their produce at low price and they charge a heavy commission for themselves. Thus source of finance is particularly important in the case of cash crop like cotton, groundnut, tobacco, and in the case of fruit of chard like mangoes. Traders and commission agent may be bracketed with money lenders, as their lending to farmers is also at exorbitant rates and has other undesirable effects too.

CONCLUSION

Now days many co-operative banks, Commercial banks and RRB provides loans to the farmers in convenient interest rates and also government of India's policy is favourable towards agricultural sector RRB's and NABARD also working efficiency and effectively towards financial problem. Agriculture is a task to manage the hands of illiterate and rational cultivators. It is a science, which is developing rapidly in various dimensions. Therefore the agriculture financing system should be reorganized for economic gains and agriculture growth.



AN ANALYTICAL STUDY ON FINANCIAL EXECUTION OF HINDUSTAN UNILEVER LIMITED

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ABSTRACT

Finance is nothing but an exchange of available resources. Finance is not restricted only to the exchange and/or management of money. It is the master key which provides access to all the sources for being employed in the manufacturing and merchandising activities. A barter trading system is also a type of finance. Thus, we can say, finance is an art of managing various available resources like money, assets, investments, securities, etc.

This study is done to analyze the financial execution of India's top consumer goods company HINDUSTAN UNILEVER LIMITED. Products that are purchased for consumption by an average consumer are known as consumer goods. The measurement of consumer goods sales is important in the assessment of gross domestic product and in determining the health of the overall economy. This has been bought an increasing dependence on these companies by the economy. Any problem relating to these companies will not only affect the company but also the economy a lot. Hence a stable financial position for the companies is very important for them to survive and to serve.

INTRODUCTION TO THE STUDY

As per the dictionary meaning Finance is the management of large amounts of money, especially by governments or large companies. At present, we cannot imagine a world without finance. In other words finance is the soul of our economic activities. Finance is the human economic activity. To perform any economic activity, we need certain resources, which are to be pooled in terms of money (i.e. in the form of currency notes, other valuables, etc.). Finance is a prerequisite for obtaining physical resources, which are needed to perform productive activities and carrying business operations such as sales, pay compensations, reserve for contingencies (unascertained liabilities) and so on. It is needed not only for starting an enterprise but also keep it going more shall be its need when the firm expands. Thus, finance plays a vital role in the functioning of all business activity.



PROFILE OF THE COMPANY

Hindustan Unilever Limited (HUL) is an Indian goods company based in Mumbai, Maharashtra. It is owned by Anglo-Dutch Company, Unilever which owns a 67% controlling share in HUL. HUL's products include foods, beverages, cleaning agents and personal care products.

HUL was established in 1933 as Lever Brothers and in 1956 as Hindustan Lever Limited, as a result of a merger between Lever Brothers, Hindustan Vanaspati Mfg. Co. Ltd. and United Traders Ltd. It is headquartered in Mumbai and employs over 16,500 workers. The company was renamed in June 2007 as "Hindustan Unilever Limited".

Hindustan Unilever's distribution covers over 2 million retail outlets across India directly and its products are available in over 6.4 million outlets in the country. As per Nielsen market research data, two out of three Indians use HUL products. HUL is the market leader in Indian consumer products with presence in over 20 consumer categories such as soaps, tea, detergents and shampoos amongst others with over 700 million Indian consumers using its products.

BRANDS

The "**Most Trusted Brands**" from HUL in the top 100 list (their rankings in brackets) are Clinic Plus (4), Lifeboy (10), Fair & Lovely (11), Rin (12), Surf Excel (13), Lux (14), Pepsodent (17), Closeup (19), Pond's (20), Sunsilk (26), Dove (37), Vim (43), Pears (79), Lakme (81), Vaseline (86), Wheel (87), Hamam (95) and Rexona (96).

REVIEW OF RELATED LITERATURE

[1] **Singla HK (2008)**, in his paper, "financial performance of banks in India", in ICFAI Journal of Bank Management No 7, has examined that how financial management plays a crucial role in the growth of banking. It is concerned with examining the profitability position of the selected sixteen banks of banker index for a period of six years (2001-06). The study reveals that the profitability position was reasonable during the period of study when compared with the previous years. Strong capital position and balance sheet place, Banks in better position to deal with and absorb the economic constant over a period of time.

[2] **Ramaratnam and Jayaraman (2010)** used financial ratios in terms of liquidity, profitability, variability and sustainability to measure the financial performance of Indian



steel industry for a period of five years from 2005 to 2010. Their study reveals that the critical situation faced by the Indian steel industry is due to over capacity and demand slowdown resulting in price cuts. U.S and many European countries imposed the anti-dumping duties to this demand supply mismatch in the market.

[3] A study has been conducted by **Bhunia (2010)** on private sector steel companies of India to test the short term liquidity trend of the companies and its effect on the financial performance. The study shows that the inventory and receivable management require special attention and proper control over inventory. The investment in loans and advances should be minimized to the extent possible. A balanced and proper amount of working capital should be maintained in the business for smooth running of the same. The management of the companies should adopt a viable and proficient payment policy. At the same time maximization of assets and minimization of liabilities should be preserved and help Indian steel companies to grow further.

STATEMENT OF THE PROBLEM

Products that are purchased for consumption by an average consumer are known as consumer goods. Items are counted as consumer goods only if they are sold. The measurement of consumer goods sales is important in the assessment of gross domestic product and in determining the health of the overall economy.

This has been bought an increasing dependence on these companies by the economy. Any problem relating to these companies will not only affect the company but also the economy a lot. Hence a stable financial position for the companies is very important for them to survive and to serve.

This study is done to analyze the financial execution of India's top consumer goods company HINDUSTAN UNILEVER LIMITED.

OBJECTIVES OF STUDY

Primary Objectives

To study the financial performance of HINDUSTAN UNILEVER LIMITED.



Secondary Objective

1. To analyze the solvency position of the company.
2. To analyze the profitability of the company.
3. To evaluate the financial growth of the company.
4. To make recommendations based on the analysis of financial statement.

METHODOLOGY OF THE STUDY

Research Methodology refers to the behavior and instruments we use in performing research operations such as making observations, recording data techniques data and the like.

Data Collection

Secondary data Companies annual reports and their official websites serve as the secondary data source of the study.

Period of Study

The study has been undergone for a period of 5 years starting from 2009-10 to 2013-14.

Tools for Analysis

The following financial and statistical tools are used in the study.

- ✓ Ratio analysis,
- ✓ Trend analysis and
- ✓ Comparative balance sheet.

LIMITATIONS OF THE STUDY

1. The sample size is very small, only five year data were analyzed.
2. It considers only monetary factors, non-monetary factors are not considered.
3. It has been conducted using secondary data only.

FINDINGS OF RATIO ANALYSIS

During the study period the *short term solvency ratio* i.e. current ratio, liquid ratio and absolute liquid ratio is not in a satisfactory level. This shows that the company is more dependent on current liabilities rather than capital and long term funds.



During the study period the *long term solvency ratio* like fixed asset to net worth ratio and current asset to proprietors fund ratio is satisfactory and the proprietary ratio is found to be not satisfactory. It shows that the company is taking necessary steps to improve their shareholders' funds and outsiders fund which may result in good long term solvency position.

During the study period the *efficiency ratios* like inventory turnover ratio, inventory conversion period, debtor's turnover ratio and average collection period is up to the satisfactory level and the working capital turnover ratio is found to be not satisfactory. However these turnover ratios indicate that the company is taking initial steps in managing its liquid resources.

During the study period the *general profitability ratios* i.e. gross profit ratio, net profit ratio, operating profit ratio and cash profit ratio is found to be in a satisfactory level. This shows that the company is taking necessary measures to reduce its operating expenses.

During the study period the *overall profitability ratios* like return on investment, return on total assets and earnings per share is found to be in a satisfactory level. This shows that the company has an attractive view in making the investors to invest more.

During the study period the *valuation ratio* i.e. dividend yield ratio and retained earnings ratio is satisfactory, this shows that the company is in a good prosperity level.

FINDINGS OF TREND ANALYSIS

During the study period *sales* of the company is in an increasing trend and this shows that the products are moving quickly.

During the study period *inventory* of the company is in a fluctuating trend. However the company is in a good position to convert its stock into sales frequently.

During the study period *debtors* of the company is in a little fluctuating trend and it indicates that the company has enough efficiency in managing the debtors.

During the study period *creditors* of the company is in an increasing trend. This shows that the company is enjoying greater credit period.

During the study period *working capital* of the company is facing a wide fluctuating trend. It indicates that the company is more dependent on current liabilities.



FINDINGS OF COMPARATIVE BALANCE SHEET

In the year **2009-10** the short term solvency position of the company is not so good because it has utilized its current assets to pay of its long term loans. This fact depicts that the company is being utilizing its current assets to improve its long term solvency position.

In the year **2010-11** the short and long term solvency position of the company is not satisfactory. This fact depicts that the policy of the company is to purchase the fixed assets, without raising any long - term sources of finance and thereby affecting the working capital of the company.

In the year **2011-12** the short term solvency position of the company is found to be better than the long term solvency position. This shows that the company is being taking necessary steps in improving its liquidity position.

In the year **2012-13** the firm has made proper utilization of long - term sources of finance in purchase fixed assets, thereby without affecting company's long term solvency position but the short term liquidity position of the company has to be improved by managing the current assets promptly.

In the year **2013-14** the overall liquidity position of the company is found to be satisfactory. This shows that the company's current assets have been properly utilized by raising the short term finances.

SUGGESTIONS

The liquidity ratio portrays the capacity of the business unit to meet its short term obligations from its short term resources. The liquidity position of the company is not satisfactory during the study period. The company should take necessary steps to improve its liquidity position. The amount of current assets and current liabilities should be made as it is a little erratic.

The long term solvency position of the firm refers to the ability of a concern to meet its long term obligations. The long term solvency position of the company is satisfactory during the study period. Hence the company has to maintain the same strategy in the upcoming years also.



Further suggestions are

- As the current liabilities are found to be in an increasing trend, the company has to take necessary steps to pay of the liabilities promptly.
- The company has taken initial measures to increase its efficiency level. It has to continue the same measures for some more years till it achieves its ultimate efficiency.
- The profitability position of the company is found to be increasing during the study period. This shows that the company is trying to reduce its operating expenses so the company has to continue the same in future period also.
- As the growth of the company is found to be good it attracts more investors to invest in their shares. This shows that the company has an attractive image towards its issue of shares. So the company can use this opportunity to increase its share capital.

CONCLUSION

Finance is the elixir that assists in the formation of new business and allows business to take advantage of opportunities to grow and support the business. Finance is the process of creating, moving and using money, enabling the flow of money through a company in such a way it facilitates global money flow. All facts of the global economy depend upon an orderly process of finance.

HINDUSTAN UNILEVER LIMITED is one of the leading consumer goods company in India. Financial strength of such company has a huge effect on the development and growth of the country. So the research has been made to study the financial position of **HINDUSTAN UNILEVER LIMITED**.

The study reveals that the short term solvency position of the company is not up to the level. But the company's long term solvency, efficiency and profitability position of the company is quite satisfactory. This shows that the company has good progress towards its growth and prosperity during the study period.



AN ANALYTICAL STUDY ON FINANCIAL PERFORMANCE OF BHARAT PETROLEUM CORPORATION LIMITED

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“Finance - A Helping Partner to any individual or any other institutions”.

ABSTRACT

Finance is the soul of our economic activities. To perform any economic activity, we need certain resources, which are to be pooled in terms of money. Finance is defined as *“provision of money at the time when it is required”*. Finance is a prerequisite for obtaining physical resources, which are needed to perform productive activities and carrying business operations such as sales, pay compensations, reserve for contingencies and so on. Finance is nothing but an exchange of available resources. Finance is the lifeblood of a business enterprise. It is the master key which provides access to the entire source for being employed in manufacturing and merchandising activities. Efficient management of every business enterprise is closely linked with efficient management of its finance.

Keywords – Financial Performance Analysis, Ratio Analysis, Trend Analysis and Comparative Balance Sheet.

I. INTRODUCTION TO FINANCE

The word finance was originally a French word. In the 18th century, it was adapted by English speaking communities to mean *“the management of money”*. Finance is defined as *“provision of money at the time when it is required”*. Every enterprise, whether big, medium, or small, needs finance to carry on its operations and to achieve its targets. Without adequate finance, no enterprise can possibly accomplish its objectives. So finance is regarded as the lifeblood of any business enterprise. The subject of finance has been traditionally classified into two;

Public Finance - It deals with the requirements, receipts and disbursement of funds in the govt. Institutions like states, local self-govt. and central govt.



Private Finance - It is concerned with requirements, receipts, and disbursement of fund in case of an individual, a profit seeking business organization and a non-profit organization.

DEFINITION OF FINANCE

According to *Academicians*, “Finance is the procurement of funds and effective utilization of funds. It also deals with profit that adequately compensate for the costs and risks borne by the business.”

According to *Wheeler*, business finance is defined as “that business activity, which is concerned with the acquisition and conservation of capital funds in meeting the financial needs and overall objectives of business enterprises”.

According to *Experts*, “Finance is a simple task of providing the necessary funds (money) required by the business of entities like companies, firms, individuals and others on the terms that are most favorable to achieve their economic objectives.”

OBJECTIVES OF FINANCE

Profit Maximization-A business being an economic institution must earn profit to cover its costs and provide funds for growth.

Wealth Maximization-Wealth maximization is the appropriate objective of an enterprise. Financial theory asserts that wealth maximization is the single substitute for a stockholder’s utility. When the firm maximizes the stockholder’s wealth, the individual stockholder can use this wealth to maximize his individual utility. It means that by maximizing stockholder’s wealth the firm is operating consistently towards maximizing stockholder’s utility.

Return Maximization-The third objective of financial management says to safeguard the economic interest of all the persons who are directly or indirectly connected with the company whether they are shareholder’s, creditors or employees. All these parties must also get maximum return on the investment and this can be possible only when the company earns higher profits to discharge its obligations to them.

TERMS USED FOR THE STUDY

FINANCIAL PERFORMANCE ANALYSIS - The term ‘financial performance analysis also known as analysis and interpretation of financial statements’, which refers to the process of determining financial strength and weaknesses of the firm by establishing strategic



relationship between the items of the balance sheet , profit and loss account and other operative data. ***“Financial performance analysis is a process of evaluating the relationship between component parts of a financial statement to obtain a better understanding of a firm’s position and performance”***. The purpose of financial analysis is to diagnose the information contained in financial statements so as to judge the profitability and financial soundness of the firm. A financial analyst analyses the financial statements with various tools of analysis before commenting upon the financial health or weaknesses of an enterprise.

RATIO ANALYSIS - Ratio analysis is used as a technique of analyzing the financial information, contained in the balance sheet and profit and loss accounts, for a more meaningful understanding of the financial position and performance of a firm. ***“The relationship between two accounting figures, expressed mathematically, is known as a financial ratio”***. A ratio helps the analyst to make qualitative judgment about the firm’s financial position and performance. Several ratios can be calculated from the accounting data contained in the financial statements. The parties which generally undertake financial analysis is short –term creditors, long-term creditors, owner and management.

TREND ANALYSIS - The financial statements may be analyzed by computing trends of series of information. This method determines the ***direction upwards or downwards*** and involves ***the computation of the percentage relationship that each statement item bears to the same item in the base year***. The information for the number of years is taken up as one year, generally first year (as a base year). The ***figures of the base year are taken as 100*** and the trend ratios for the following years are calculated on the basis of the base year.

COMPARATIVE BALANCE SHEET - The comparative financial statements are statements of the financial position at different periods of time .The elements of financial position are show in a comparative statement provides an idea of financial position at two or more periods. The comparative balance sheet analysis is the study of the trend of the same items, group of items and computed items in two or more balance sheets of the same business enterprise on different dates. While interpreting comparative balance sheet the interpreter is expected to study them following aspects Current financial position and liquidity position, Long-term financial position and Profitability of the concern.



STATEMENT OF THE PROBLEM

Finance is considered as the life blood of an enterprise, which makes an enterprise to run smoothly and efficiently. At times, business may face some troubles if there is no proper check on their financial position regularly and periodically. Thus, a sustainable growth would turn to be a realistic attainable growth when a company maintains its financial status effectively and efficiently. Being, finance a very important nerve for the long and continued survival of the company, an attempt has been made to analyze the financial performance of **BHARAT PETROLEUM CORPORATION LIMITED** which experiences a *wide range of fluctuations in its profits due to change in the petroleum and diesel prices*. In this regard the study has been made to *analyze the financial status of the company using various tools in order to identify its strength and weakness* relating to the financial aspects for its growth and development.

OBJECTIVES OF THE STUDY

Primary objective

To study the *overall financial performance of Bharat Petroleum Corporation Limited* based on the Profit and Loss account and the Balance Sheet.

Secondary objectives

- To analyze the solvency position of the company.
- To know the efficiency of the company.
- To examine the profitability position of the company.
- To evaluate the financial growth of the company.

SCOPE OF THE STUDY

The scope of the study is to analyze **Financial Performance of Bharat Petroleum Corporation Limited** for the period of *6 years* from *2009-2010 to 2014-2015*. An attempt has been made to include all the aspects relating to the study. For this purpose, analyzes has been carried out to know the financial status of the concern. The detail for the study has been gathered from the last 6 years of the published financial statements of the company.



RESEARCH DESIGN

A research design is an arrangement of conditions for collection and analysis of data with a view to do the research work. The formidable problem that follows the task of defining the research problem is the preparation of design for the research project, popularly known as the research design. Decision regarding what, where, when, how much and by what means concerning an inquiry of research study, constitute a research design.

METHODOLOGY AND DATA COLLECTION

The data has been gathered from company's annual report, company's profile and official website of the company. The study covers a period of five years from 2009-2010 to 2014-2015. The accounting year starts from 1st April to 31st March.

FINANCIAL AND STATISTICAL TOOLS USED FOR ANALYSIS

- Ratio Analysis.
- Trend Analysis.
- Comparative Balance Sheet.

LIMITATIONS OF THE STUDY

- Only five years data relating to *Bharat Petroleum Corporation Limited* is used for analyzes. Hence a comprehensive financial position cannot be known.
- The study is based on the information given in the secondary data and analyzes is made only for the past data so the future variation in all aspects affects the study.
- A decision regarding the financial efficiency of *Bharat Petroleum Corporation Limited* is based on the ratio calculated which depends on the accuracy of their financial statements.

II. BRIEF REVIEW OF EARLIER STUDIES

The reviews of earlier studies explore the avenues for present and future research related to the subject matter. A number of research studies have been carried out on different aspects of performance appraisal by the researchers, economists and academicians in the area of finance in India. Therefore, in this part, a review of earlier studies related to financial performance has been made by many researchers on different companies and rationale for the present



study is given - **Anitha S. Kantawala (2002)** in the study on “**Financial Performance of Non - Banking Financial Companies in India**”, concluded that there existed a significant variation in the profitability ratios, leverage ratios and liquidity ratios of various categories of non banking financial companies. Also, concluded that the analysis of variance along with the details of average ratio may become a useful guide to companies so as to decide for continuation (or) otherwise in same line of business considering the overall profitability within the regulatory framework. **Miss R. Subashini (2004 – 2006)** in the project “**A Study on Financial Performance of Lakshmi Ring Travelers**” concluded that the short – term solvency and profitability position was really good. Long – term solvency position was satisfactory and the management of current asset as efficient. **Singla HK (2008)** in the paper, “**Financial Performance of Banks in India**” in ICFAI journal of bank management no. 7, has examined that how financial management plays a crucial role in the growth of banking. It is concerned with examining the profitability position of the selected sixteen banks of banker index for a period of six years (2001-06). Strong capital position and balance sheet place, banks in better position to deal with and absorb the economic constant over a period of time.

IV. FINDINGS - The main objective of the study is to analyze the financial performance of **BHARATH PETROLEUM CORPORATION LIMITED**. An attempt has been made to analyze its financial position by using *Ratio Analysis, Trend Analysis and Comparative Balance Sheet*.

FINDINGS FROM RATIO ANALYSIS

- During the study period the *short – term solvency ratios* i.e. current ratio, liquid ratio and absolute liquid ratio is not at a satisfactory level. This shows that the company is more dependent on current liabilities rather than capital and long – term funds.
- During the study period the *long – term solvency ratios* like debt – equity ratio, ratio of current assets to proprietors fund, fixed assets ratio and proprietary ratio is at a satisfactory level and fixed asset to net worth ratio is found to be not satisfactory. It shows that the company is taking necessary steps to make its fund not being locked up in the fixed capital which may result in good long – term solvency position.
- During the study period the *efficiency ratios* like inventory turnover ratio, inventory conversion period, debtors’ velocity ratio and average collection period is at a satisfactory level and the working capital turnover ratio is found to be not satisfactory.



However these turnover ratios indicate that the company is taking initial steps in managing its liquid resources.

- During the study period the **overall profitability ratios** like earnings per share, return on shareholder's investment, is found to be in a satisfactory level. This shows that the company has an attractive view in making the investors to invest more.
- During the study period the **general profitability ratios** i.e. gross profit ratio, net profit ratio, operating ratio, operating profit ratio and cash profit ratio is found to be at a satisfactory level. This shows that the company is taking effective measures to reduce its operating expenses.

FINDINGS FROM TREND ANALYSIS

- During the study period, **the trend percentages of sales of the company are** in an increasing trend for all the years except in the current year 2014 – 2015. But this does not affect the net profit of the company. Thus, with increase in sales value the revenue of the company also maximizes.
- During the study period, **the trend percentage of sundry debtors** is found to be little fluctuating, so the company has to take effective measures in stabilizing the value of debtors.
- During the study period, **the trend percentage of inventories** increases, which results in a favourable condition for the company in terms of converting its stock into sales frequently.
- During the study period, **the trend percentage of current assets** of the company is found to be increasing in all the years except in the current year 2014 - 2015 it showed a decreasing trend. However the company has to manage its current assets efficiently.
- During the study period, **the trend percentage of fixed asset** is found to be increasing. This depicts that, the company has to manage its fixed assets efficiently.
- During the study period, **the current liabilities** of the company are in a fluctuating trend. Thus, the company has to take effective measures in paying off its current liabilities regularly.
- During the study period, **the trend percentage of operating profit** shows an increasing rate, indicating a favourable condition in the profitability position of the company.



- During the study period, *the net profit* of the company shows an increasing trend, indicating a favourable condition in the profitability position of the company.
- During the study period, *the proprietor's funds* of the company shows an increasing trend. Hence the company is managing its proprietor's funds effectively.
- During the study period, *the net working capital* of the company is facing a wide fluctuating trend, because it has involved more in trading activities.

FINDINGS FROM COMPARATIVE BALANCE SHEET

- In the years 2009 – 2010 and 2013 – 2014 it is found that the overall financial position of the company is good and satisfactory.
- In the year 2012 – 2013 it is found that the overall financial performance of the company must move forward by taking effective measures in utilizing its long – term finances to purchase the fixed assets, thereby stabilizing the working capital of the concern.
- In the years 2010 – 2011, 2011 – 2012 and 2014 – 2015, it is found that the current liabilities excess current assets showing the decreasing trend in net working capital. Thus, the overall financial performance of the company needs an improvement in managing its current assets properly and paying off its liabilities regularly.

V. CONCLUSION

Finance is the life blood of any business. It is important to manage the finance of the company efficiently. At times, business may face some troubles if there is no proper check on their financial position regularly and periodically. Thus, a sustainable growth would turn to be a realistic attainable growth when a company maintains its financial status effectively and efficiently. Being, finance a very important nerve for the long and continued survival of the company, analyzes has been made on the financial performance of **BHARAT PETROLEUM CORPORATION LIMITED** to ascertain the strength and weakness of the concern.

The analyzes presents the true and fair details relating to the overall financial position of the company. Thus, it has been concluded that the company's *profitability position is good and satisfactory*. Also it reveals the *positive and good status relating to the efficiency of the company and short term and long term solvency position* of the company.



Though the present fuel hike fairly hit the national economy, the analyzes shows that the company is moving in the right path by taking effective measures for its further improvement and development, which is a positive signal.

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AN ANALYTICAL STUDY ON WORKING CAPITAL MANAGEMENT OF T.STANES COMPANY LIMITED

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ABSTRACT

Management of working capital is an integral part of overall corporate management. A business enterprise with ample working capital is always in a position to take advantages of any favorable opportunities either to purchase raw-materials or implement a new special order or to wait for enhancing market status. Working capital can be utilized for meeting day-to-day expenses and for maintaining fixed assets that are involved in everyday life of a business enterprise. It is rightly said that the overall success or failure of a business enterprise mainly depends upon how the enterprise manage its working capital. Thus, proper management of working capital has become an essential part every business enterprise because it shows the efficiency and financial strength of an enterprise.

MEANING OF WORKING CAPITAL

Working capital (abbreviated WC) is a financial metric which represents operating liquidity available to a business, organization or other entity, including governmental entity. Along with fixed assets such as plant and equipment, working capital is considered a part of operating capital. Net working capital is calculated as current assets minus current liabilities. It is a derivation of working capital that is commonly used in valuation techniques such as DCFs (Discounted cash flows). If current assets are less than current liabilities, an entity has a working capital deficiency, also called a working capital deficit. A company can be endowed with assets and profitability but short of liquidity if its assets cannot readily be converted into cash. Positive working capital is required to ensure that a firm is able to continue its operations and that it has sufficient funds to satisfy both maturing short-term debt and upcoming operational expenses. The management of working capital involves managing inventories, accounts receivable and payable, and cash.



CONCEPT OF WORKING CAPITAL

The two concepts of Working Capital are,

- 1) Gross Working Capital
- 2) Net Working Capital

NEED OR OBJECTS OF WORKING CAPITAL

The need for working capital cannot be over emphasized. Every business needs some amount of working capital. The need for working capital arises due to the time gap between production and realization of cash from sales. There is an operating cycle involved in the sales and realization of cash. There are time gaps in purchase of raw materials and production; production and sales; and sales and realizations of cash. Thus, working capital is needed for the following purposes

- ❖ For the purchase of raw materials, components and spares.
- ❖ To pay wages and salaries.
- ❖ To incur day-to-day expenses and overhead costs such as fuel, power and office expenses etc...,
- ❖ To meet the selling costs as packing, advertising, etc.
- ❖ To provide credit facilities to the customers.
- ❖ To maintain the inventories of raw material, work-in-progress, stores and spares and finished stock.

IMPORTANCE OR ADVANTAGES OF ADEQUATE WORKING CAPITAL

Working capital is the life blood and nerve center of a business. Just as circulation of blood is essential in the human body for maintaining life, working capital is very essential to maintain the smooth running of a business. No business can run successfully without an adequate amount of working capital. The main advantages of maintaining adequate amount of working capital are as follows

❖ Solvency of the Business

Adequate working capital helps in maintaining solvency of the business by providing uninterrupted flow of production.



❖ **Goodwill**

Sufficient working capital enables a business concern to make prompt payments and hence helps in creating and maintaining goodwill.

❖ **Easy Loans**

A concern having adequate working capital, high solvency and good credit standing can arrange loans from banks and others on easy and favorable terms.

❖ **Cash Discounts**

Adequate working capital also enables a concern to avail cash discounts on the purchases and hence it reduces costs.

❖ **Regular Supply of Raw Materials**

Sufficient working capital ensures regular supply of raw materials and continuous production.

❖ **Regular Payment of Salaries, Wages and Other Day- To- Day Commitments**

A company which has ample working capital can make regular payment of salaries, wages and other day-to-day commitments which raises the moral of its employees, increases their efficiency, reduces wastages and costs and enhances production and profits.

❖ **Exploitation of Favorable Market Conditions**

Only concerns with adequate working capital can exploit favourable market conditions such as purchasing its requirements in bulk when the prices are lower and by holding its inventories for higher prices.

❖ **Ability To Face Crisis**

Adequate working capital enables a concern to face business crisis in emergencies such as depression because during such period, generally, there is much pressure on working capital.

❖ **Quick And Regular Return on Investments**

Every Investor wants a quick and regular return on his investments. Sufficiency of working capital enables a concern to pay quick and regular dividends to its investors as



there may not be much pressure to plough back profits. This gains the confidence of its investors and creates a favourable market to raise additional funds in the future.

❖ **High Morale**

Adequacy of working capital creates an environment of security, confidence, and high morale and creates overall efficiency in a business.

EXCESS OR INADEQUATE WORKING CAPITAL

Every business concern should have adequate working capital to run its business operation. It should have neither redundant or excess working capital nor inadequate nor shortage of working capital. Both excess as well as short working capital positions are bad for any business. However, out of the two, it is the inadequacy of working capital which is more dangerous from the point of view of the firm.

Disadvantages of Redundant or Excessive Working Capital

- ❖ Excessive Working Capital means idle funds which earn no profits for the business and hence the business cannot earn a proper rate of return on its investments.
- ❖ When there is a redundant working capital, it may lead to unnecessary purchasing and accumulation of inventories causing more chances of theft, waste and losses.
- ❖ Excessive working capital implies excessive debtors and defective credit policy which may cause higher incidence of bad debts.
- ❖ It may result into overall inefficiency in the organisation.
- ❖ When there is excessive working capital, relations with banks and other financial institutions may not be maintained.
- ❖ Due to low rate of return on investments, the value of shares may also fall.
- ❖ The redundant working capital gives raise to speculative transactions.



Disadvantages or Dangers of Inadequate Working Capital

- ❖ A concern which has inadequate working capital cannot pay its short-term liabilities in time. Thus, it will lose its reputation and shall not be able to get good credit facilities.
- ❖ It cannot buy its requirements in bulk and cannot avail of discounts, etc.
- ❖ It becomes difficult for the firm to exploit favourable market conditions and undertake profitable projects due to lack of working capital.
- ❖ The firm cannot pay day-to-day expenses of its operations and it creates inefficiencies, increases costs and reduces the profits of the business.
- ❖ It becomes impossible to utilize efficiently the fixed assets due to non-availability of liquid funds.

The rate of return on investments also falls with the shortage of working capital.

STATEMENT OF THE PROBLEM

Tea is the second most consumed drink in the world. As tea is the second most preferred hot beverage if any changes occurs in the price of the product it will have a vast effect in the consumption level. Hence it is necessary to analyze the day to day operations of the company towards its production cost.

This study is done to analyse the Working Capital Management of T. Stanes and Company.

OBJECTIVE OF THE STUDY

1. To analyze the short term solvency position of the company.
2. To access the performance or activity position of the company.
3. To analyze the long term solvency position of the company.

SCOPE OF THE STUDY

The scope of the study is to find out Working capital of T. Stanes and Company for a period of 5 years from 2009-2010 to 2013-2014. A sincere attempt has been made to include all the aspects relating to the study. For this purpose analysis of working capital of the company has



done from the last 5 years published financial statement and all aspects the researcher should be included in the report.

RESEARCH METHODOLOGY

❖ Research Design

Since the past and existing facts are used to analytical in nature, the researcher uses facts or information already available to analyses and evaluates the materials.

❖ Data collection

Secondary data Companies' annual reports and their official websites serve as the secondary data source of the study.

❖ Period of study

The study has been undergone for a period of 5 years starting from 2009-2010 to 2013-2014.

❖ Tools for Analysis

The following financial tools are used in the study,

- Ratio Analysis
- Statement of changes in Working Capital

LIMITATIONS OF THE STUDY

1. Only five years data relating to T.Stanes and Company Limited is used for analysis. Hence a comprehensive financial position cannot be known.
2. The study is based on the information given in the secondary data and analysis is made only for the past data so the future variation in all aspects affects the study.



ANALYSIS AND INTREPRETATION

TABLE 1 - CURRENT RATIO

YEAR	CURRENT ASSETS (in Rs)	CURRENT LIABILITIES (in Rs)	CURRENT RATIO
2009-2010	691097277	348559530	1.98
2010-2011	851177768	423227406	2.01
2011-2012	952587571	799453500	1.19
2012-2013	894548982	737669090	1.21
2013-2014	941409758	760942774	1.24

TABLE 2 LIQUID RATIO

YEAR	LIQUID ASSETS (in Rs)	CURRENT LIABILITIES (in Rs)	LIQUID RATIO
2009-2010	500198656	348559530	1.44
2010-2011	640127804	423227406	1.51
2011-2012	651114632	799453500	0.81
2012-2013	614495017	737669090	0.83
2013-2014	673826507	760942774	0.89

TABLE 3 ABSOLUTE LIQUID RATIO

YEAR	ABSOLUTE LIQUID ASSETS (in Rs)	CURRENT LIABILITIES (in Rs)	ABSOLUTE LIQUID RATIO
2009-2010	97229937	348559530	0.28
2010-2011	108428907	423227406	0.26
2011-2012	86571624	799453500	0.11
2012-2013	79312411	737669090	0.11
2013-2014	82671076	760942774	0.11



TABLE 4 DEBTORS TURNOVER RATIO

YEAR	TOTAL SALES (in Rs)	DEBTORS (in Rs)	DEBTORS TURNOVER RATIO
2009-2010	1554868077	319540928	4.87
2010-2011	1783058135	433931566	4.11
2011-2012	1872521761	443678477	4.22
2012-2013	2019371872	422904208	4.78
2013-2014	2391447814	459066254	5.21

TABLE 5 AVERAGE COLLECTION PERIOD

YEAR	NUMBER OF DAYS	DEBTORS TURNOVER	AVERAGE COLLECTION PERIOD
2009-2010	365	4.87	75.01
2010-2011	365	4.11	88.83
2011-2012	366	4.22	86.72
2012-2013	365	4.78	76.44
2013-2014	365	5.21	70.07

TABLE 6 INVENTORY TURNOVER RATIO

YEAR	NET SALES (in Rs)	AVERAGE INVENTORY (in Rs)	INVENTORY TURNOVER RATIO
2009-2010	1554868077	174994529	8.89
2010-2011	1783058135	200974293	8.87
2011-2012	1872521761	256261452	7.31
2012-2013	2019371872	290763452	6.95
2013-2014	2391447814	273818608	8.73



TABLE 7 INVENTORY CONVERSION PERIOD

YEAR	NUMBER OF DAYS	INVENTORY TURNOVER	INVENTORY CONVERSION PERIOD
2009-2010	365	8.89	41.08
2010-2011	365	8.87	41.14
2011-2012	366	7.31	50.09
2012-2013	365	6.95	52.56
2013-2014	365	8.73	41.79

TABLE 8 WORKING CAPITAL TURNOVER RATIO

YEAR	SALES (in Rs)	NET WORKING CAPITAL (in Rs)	WORKING CAPITAL TURNOVER RATIO
2009-2010	1554868077	342537747	4.54
2010-2011	1783058135	427950362	4.17
2011-2012	1872521761	153134071	12.23
2012-2013	2019371872	156879892	12.87
2013-2014	2391447814	180466984	13.25

TABLE 9 CURRENT ASSETS TO PROPRIETORS FUND RATIO

YEAR	CURRENT ASSETS (in Rs)	SHAREHOLDERS FUND (in Rs)	CURRENT ASSETS TO PROPRIETORS FUND RATIO
2009-2010	691097277	203795301	3.39
2010-2011	851177768	259974281	3.27
2011-2012	952587571	320087843	2.98
2012-2013	894548982	357977976	2.50
2013-2014	941409758	407897557	2.31



TABLE 10 FIXED ASSET TO CURRENT ASSET RATIO

YEAR	FIXED ASSET (in Rs)	CURRENT ASSET (in Rs)	FIXED ASSET TO CURRENT ASSET RATIO
2009-2010	176989408	691097277	0.26
2010-2011	201310938	851177768	0.24
2011-2012	243348131	952587571	0.26
2012-2013	291980579	894548982	0.33
2013-2014	303373660	941409758	0.32

FINDINGS AND SUGGESTIONS

- During the study period the short term solvency ratio i.e. current assets and absolute liquid ratio is not at satisfactory level and liquid ratio is at satisfactory level. Hence the company has to take proper steps to utilize the cash and bank balance efficiently.
- During the study period the performance or activity ratios such as debtor's turnover ratio, average collection period, inventory turnover ratio, inventory conversion period and working capital turnover ratio is at satisfactory level. Hence the company has to maintain the same progress for the upcoming years.
- During the study period the long term solvency ratio such as Current Asset to Proprietors fund ratio is not at satisfactory level and Fixed Asset to Current Asset ratio is at satisfactory level. Hence the company should take necessary steps to utilize the proprietors fund efficiently.

CONCLUSION

The working capital is the life-blood and nerve centre of every business enterprise. No business can run effectively without adequate quantity of working capital. Management of working capital is an integral part of overall corporate management.

The study reveals that the short term solvency of the company is not up to the level. But the companies' long term solvencies, and efficiency position is at quite satisfactory level. This shows that the company has to take proper measures in utilizing current assets to improve its working capital management



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AN OVERVIEW OF CORPORATE NET BANKING

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ABSTRACT

The corporate online banking space has stagnated for far too long. The Internet has evolved to provide consumers with rich and interactive experiences. Unfortunately, the banking industry has not kept pace with the evolution of the Internet, and customers have started to demand that their banks keep up with the times. For the most part, financial institutions recognize their online shortcomings. The question is why haven't they acted on them, what can they do about it, and how can they keep up with ever-increasing customer demands. These questions become even more difficult to answer as cost estimates for large projects balloon, and there is increased pressure on the corporate side of the bank to keep the online ship afloat. The good news is that next-generation corporate online banking is on its way. Bits and pieces of it have already landed and will evolve. A new report, **Top Trends in Corporate Online Banking**, examines and analyzes the top trends in online cash management, and provides recommendations for financial institutions. Some of the trends are in full swing; some are nascent; others are expected to impact the space within the next three to five years. "It's challenging for banks to build business cases that involve online portals and user experience overhauls," says Jacob Jegher, Senior Analyst with Celent's Banking group and author of the report. "It's easy to get caught up in sexy technology, but at the end of the day, it's about keeping customers satisfied, and striking a balance between functionality and user experience."

Keywords Banking, Corporate Banking, Internet, customer

INTRODUCTION

Corporation Bank, looking beyond traditional banking, has introduced a series of products and services to different customer segments. Corp Net is one such product offered by the Bank to its customers. On 1st January, 2001, the Bank had launched Internet Banking (**Corp Net**) facilities for the corporate customers of its Collection And Payment



Services [CAPS]. The Bank has introduced the Corp Net facility for Corporate and Retail customers of its computerized branches effective from 28th March, 2002. It is envisaged that the new facility will significantly change the way the services are currently delivered.

CORPNET

Internet technology has radically changed the way banking works and individual depositors have already benefited from the competition amongst the Banks. Banking sector is one of the most advanced IT users all over the world. “Corp Net” is an Internet based, fully secure and online banking system, which provides the customers the advantages of “convenience banking”. Corp Net users can access their accounts from any part of the globe. Corp Net offers a cost-effective and convenient way to access the information related to their accounts. Corp Net offers Account information, Funds Transfer and other Banking Services modules for the user to retrieve his accounts information and to request the Bank for online services. Report Printing and Download options for the user to print/save the information in his desktop is provided wherever applicable.

Corp Net is a browser based application and can be accessed through an Internet Browser. Usage of this product requires minimal training for the user. Corp Net can be accessed any time of the day irrespective of the location. Corp Net is capable of running under both, Netscape Navigator and Internet Explorer (For best results use Netscape Communicator 4.x or Microsoft Internet Explorer 5.x). In Corp Net, context help is provided on the menu in all screens. User can refer help text whenever needs clarification. Corp Net is split into three segments, viz., Retail, Corporate and CAPS. Retail for Individuals with single User-ID, Corporate for Corporate Clients with hierarchy in user level and CAPS for CMS (Cash Management Services) clients.

APPLICATION CONNECTIVITY FLOW SECURITY

Corp Net being a secured system offers two layers of security; application level security and access level security.



Application level Security

User-ID and password are of minimum 6 & maximum of 16 digits with at least one character and one number. These are encrypted with a powerful algorithm. The combination of password and User-ID once encrypted, cannot be decrypted even by the Web Administrator of the bank. This feature creates a maximum level security for the password. User is forced to change the password when he logs in for the first time or when the Web Administrator changes his password on his specific request. User will only know the password due to this mandatory feature. Password would expire after specified time set by the Bank. The software keeps a count of unsuccessful logins. After the specified number of retries the User-ID will be locked. This feature safeguards the attacks by unauthorized users.

Registration Process

Customer who intends to enjoy the Corp Net facility has to apply for the same through the branch where he/she is having an account. The Registration forms can be downloaded from our web site www.corpbank.com . Customers should indicate alternative User-IDs in the registration form, so that the Web Administrator can use the same in case the requested User-ID is already given to some other party. On receiving recommendations from the branch, the Web administrator would create User-ID and send the password-mailer to the Branch, which contain the User-ID and two passwords. The first password is for login and second is to be used to authorize the request for any transactions. In case of corporate customers, the password mailer shall contain the domain name also. The password-mailer shall be delivered to the customer against acknowledgement. On receipt of the password mailer the user has to change the password immediately on first successful login before trying any of the options. The customer would get the account information from the date of registration. All the subsequent transactions will be updated and the user can generate statement of account in a report format and can be printed. The same can be downloaded as a data file, which can be opened in Microsoft Excel.

LOGIN TO CORPNET

The Users shall go to site <https://www.corpbanknet.com> and click on the link provided as “Retail Banking” or “Corporate Banking” . The user shall key in the User-ID and login password as indicated in the password mailer and click on **login** button. He shall agree for the



Terms and Conditions of the bank by clicking on **I Agree** button. The user has to change the passwords immediately on first successful login before trying any of the options. If the user fails to recollect passwords, he shall request Web Administrator through the base branch, to assign different passwords, as the earlier passwords cannot be decrypted.

SALIENT FEATURE

The essence of Corp Net is Speed, Accuracy and Efficiency. Features of Corp Net evolved in response to customers' needs - aim at providing significant TANGIBLE BENEFITS to customers.

- ✓ Freedom to bank from your desk.
- ✓ No barriers of time and distance.
- ✓ Access the account details on-line.
- ✓ Download the information to your disk.
- ✓ Efficient, Fast and Secure Banking.
- ✓ Instruct the Bank to Transfer Funds.
- ✓ Request for Cheque Books, Stop Payments and Remittances.
- ✓ Instruct the Bank to pay LIC Premium and BSNL bills.
- ✓ Alert messages when premium due

FUNCTIONAL MODULES

Account Information

Using this module, the user can view the account related information like Balance Enquiry, Transactions, Statement of Account, Search, Loan Details, Deposit Details etc. Report and Download options are provided. Consolidated balance of all the accounts in all the branches with date and time of last updating will also be available.

Funds Transfer

This module enables the user to request the branch to transfer funds from one of his running accounts to his other running account. The requested transfers can be viewed by using the review option.



Payments

This module can be used for third party payments. For effecting payment using this module, users need to have beneficiaries approved by the Bank. While applying for Corp Net, the customers shall mention the beneficiary details required to be created. It can be created later on also by giving a request through the branch.

Corp e-Cheque

Corp e-Cheque option can be used to transfer funds from the running accounts to the accounts of the pre-approved beneficiaries maintained with other Banks in select centers. Beneficiary creation procedure is same as above.

Services

This module can be used to request for Cheque Books, Stop Payment of Cheques and Remittances. Users can register for messages using the option Alert Message Registration. The messages can be viewed using the option Message Center.

Online Payments

The user can register the LIC policies using “Online Pay” option in the Corp Net and pay LIC premium before the due date. The amount will be debited to the selected account and directly credits to LIC account. Once the policies are registered for online premium payment, Policy holders can pay the premium either through Corp Net or through Corp Bank ATM. LIC sends the paid receipts in both the cases as per their existing system. Online payment of Direct and Indirect Taxes (Excise and Service taxes) is enabled in Corp Net. Users can make use of this option for online payment (e-payment) of Taxes.

CONCLUSION

Currently most financial institutions use the Internet as a presentation medium. Often there is a possibility to request additional information or to perform individual calculations. Business transactions are rather rare at least in most European countries. On the other hand, a lot of effort is devoted to construct solutions to manage financial routine



transactions like money transfers, opening and closing of accounts, implementation and deletion of standing orders and much more. Payment systems are developed to facilitate electronic commerce. In order to realize significant rationalization potentials no isolated but integrated solutions that support existing business processes are required. Collaboration between competing financial institutions may be necessary to cut down development costs

In general, financial institutions have to decide on their Internet presence. Is it worth to invest significant sums? It can be shown that there are not necessarily first mover advantages. On the other hand, fast reactions to actions of competitors are difficult since significant know-how is required to quickly build up an Internet presence. This implies that waiting too long may be extremely harmful and expensive. Consequently, a good strategy should be to build up know-how by means of small or medium pilot projects. Actions of competitors, as well as the development of the Internet should be monitored closely.

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**A STUDY ON IMPORTANCE OF ASSET LIABILITY
MANAGEMENT(ALM) WITH SPECIAL REFERENCE TO
FINANCIAL SECTOR**

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ABSTRACT

The development of the Asset Liability Management(ALM) is associated due to the contemporary changes in the economy. Asset-Liability Management is one of the important tools of risk management in commercial banks of India. The term ‘Asset Liability Management’ is most closely associated the financial industry has undergone a metamorphosis in the last two decades due to changes in the economic, political, social, legal and technological environments. Effective Asset Liability Management has always been a challenge for the financial sector to put in place a risk control system that minimizes the volatility in profit and engenders risk of the organization. Sound Asset Liability Management will ensure a healthy bottom line for financing as risk taken by this sector will be commensurate with return and will be within an approved risk management policy. In this paper we discuss the need of Asset Liability management and elaborate on various categories of risk that require to be managed by the financial sectors. The primary motto of Asset Liability Management is not to eliminate risk, but to manage it in such a way that the volatility of net interest income is minimized in the short run and economic value of the organization is protected in the long run.

INTRODUCTION

As the service sector continues to expand in today’s economy, the financial services sub-sector also experiences rapid growth accompanied by a heightened demand for good asset and liability portfolios. As asset portfolio’s performance normally affects the profitability of a firm so as the expansion of the rises which calls for more challenges to the financial sector.



Therefore, growth in financial industries may be accompanied by increased risks. The volume and timing of assets and liabilities and the relation between them may be of critical concern in profit maximization. More especially, expansion in financial market activities may result in the value of firm's liabilities exceeding the value of its assets. This phenomenon may indicate increased levels of risks associated with these portfolios which may be greatly magnified by unstable financial market activities and changes in interest rates. Alan Greenspan, Chairman of the US Federal Reserve observed, 'risk taking is a necessary condition for wealth creation'. Risk arises as a deviation between what happens and what was expected to happen. Thus the managements have to create efficient systems to identify, measure and control the risk and asset-liability management (ALM).

LITERATURE REVIEW

- **Baum, G.(1996)** defined Asset Liability management as the practice of managing a business so that decisions and actions taken with respects to assets and liabilities are coordinated in order to ensure effective utilization of company's resources to increase its profitability. ALM can be defined as the ongoing process of formulating, implementing, monitoring and revising strategies related to assets and profitability to achieve an organization's financial objectives given the organization's risk tolerance and other constraints.
- According to **Dynamic Business Analysts**, it is the coordination, or large scale simulation of an entire company to manage its assets and liability to enable financial company to operate in a more soundly and profitable environment and this enables financial institutions to define strategic asset allocation and to identify financial opportunities and uncertainty in order to improve its financial resources. Asset Liability management is relevant to, and critical for, the sound management of the finances of any organization that invests to meet its future cash flow needs and capital requirements. Traditionally, asset liability management has focused primarily on the risks associated with changes in interest rates. Currently however, credit management considers a much broader range of risks including equity risk, liquidity risk..etc. Diversity in financial institution decision maker's attitudes toward risk results in diverse credit management strategies to sustain target or maximized profit. Risk taker decision makers are willing to accept higher risk for higher returns whereas risk-



averse managers accept lower level of risks for lower return. Consequences of high risk taking strategies might be more devastating in unstable macroeconomic environments such as emerging financial markets.

ELEMENTS OF ASSET LIABILITY MANAGEMENT

ASSETS - Assets are items with money value that are owned by a business.

Examples of Assets Cash, Buildings, Machinery and Furniture

LIABILITIES - Liabilities are debts owed by the business.

Examples of Liabilities Loans to banks, Creditors (money owed to suppliers)

And Bank overdraft

ASSET LIABILITY MANAGEMENT CONCEPT

ALM is a comprehensive and dynamic framework for measuring, monitoring and managing the market risk of a bank. It is the management of structure of balance sheet (liabilities and assets) in such a way that the net earnings from interest is maximized within the overall risk-preference (present and future) of the institutions. The ALM functions extend to liquidity risk management, management of market risk, trading risk management, funding and capital planning and profit growth projection.

The concept of ALM is of recent origin in India. It has been introduced in Indian Banking industry on 1st April, 1999. ALM is concerned with risk management and provides a comprehensive and dynamic framework for measuring, monitoring and managing liquidity, interest rate, foreign exchange and equity and commodity price risks of a bank that needs to be closely integrated with the banks business strategy.

Asset-liability management is a first step in the long-term strategic planning process. Therefore, it can be considered as a planning function for an intermediate term. The various aspects of balance sheet management deal with planning as well as direction and control of the levels, changes and mixes of assets, liabilities, and capital.



SIGNIFICANCE OF ALM

- Volatility
- Product Innovations & Complexities
- Regulatory Environment
- Management Recognition

ASSET LIABILITY MANAGEMENT PROCESS

The basic Asset Liability Management process involves

- Risk Identification
- Risk Measurement
- Risk Management

RISK

Risk in a way can be defined as the chance or the probability of loss or damage. In the financing sectors, mostly affecting risk includes credit risk, capital risk and market risk.

CREDIT RISK

The risk of counter party failure in meeting the payment obligation on the specific date is known as credit risk. Credit risk management is an important challenge for financial institutions and failure on this front may lead to failure of banks.

CAPITAL RISK

One of the sound aspects of the financial practice is the maintenance of adequate capital on a continuous basis. There are attempts to bring in global norms in this field in order to bring in commonality and standardization in international practices.



MARKET RISK

Market risk is related to the financial condition, which results from adverse movement in market prices. This will be more pronounced when financial information has to be provided on a marked-to-market basis since significant fluctuations in asset holdings could adversely affect the balance sheet of that financial sector.

TECHNIQUES USED IN ASSET LIABILITY MANAGEMENT

There are various techniques for measuring risks rate as part of asset liability management are as follows

- 1. GAP (General Accounting Principle) ANALYSIS MODEL**
- 2. DURATION MODEL**
- 3. VALUE AT RISK**

1.GAP (General Accounting Principle) ANALYSIS MODEL

This model helps in analyzing measures the direction and extent of asset-liability mismatch through either funding or maturity gap. It is computed for assets and liabilities of differing maturities and is calculated for a set time horizon. This model looks at the reprising gap that exists between the interest revenue earned by the financing sectors assets and the interest paid on its liabilities over a particular period of time. It is one of the traditional asset liability management technique.

2. DURATION MODEL

This model is one of the Sophisticated Techniques for measure asset-liability management. Duration model is an important measure of the interest rate sensitivity of assets and liabilities as it takes into account the time of arrival of cash flows and the maturity of assets and liabilities.

3. VALUE AT RISK

This is also one of the Sophisticated Techniques for measure asset-liability management .Value at risk refers to the maximum expected loss that a financing firms can suffer over a



target horizon, given a certain confidence interval. It enables the calculation of market risk of a portfolio for which no historical data exists. It enables one to calculate the net worth of the organization at any particular point of time so that it is possible to focus on long-term risk implications of decisions that have already been taken or that are going to be taken.

CONCLUSION

As the landscape of the financial services industry becomes increasingly competitive, with rising costs due to higher capital requirements that financial institutions face a loss of spread income. In order to enhance the loss in profitability due to such developments, financial institutions may be forced to deliberately mismatch asset/liability maturities in order to generate higher spreads. Asset-Liability Management has evolved as a vital activity of all financial institutions and to some extent other industries too. ALM is a systematic approach that attempts to provide a degree of protection to the risk arising out of the asset/liability mismatch.

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A STUDY ON PROFITABILITY OF SELECT TECHNICAL TRADING RULES IN BOMBAY STOCK EXCHANGE

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ABSTRACT

The study examines the profitability of the moving average trading rule in Bombay stock exchange. The trading rules associated with the 10-day and 200 day Exponential moving averages and Moving Average Convergence and Divergence (MACD) is applied. It is found that, the moving average trading rules outperform in giving the trade line, facilitating the investor to trade with trend.

Keywords Bombay stock exchange(BSE), Technical Analysis, Moving Average Convergence and Divergence (MACD), Moving Averages, Exponential Moving Averages(EMA)

INTRODUCTION

This paper endeavors to evaluate the profitability of technical trading rules in Bombay stock exchange. The Indian stock markets are growing at a fast pace in recent decades and have continuously been attracting investors' attention. Early studies have examined how the principles and trading restrictions affect the investment return and risk. There is, however, virtually no study focusing on the profitability of moving average trading rules in the Indian markets. The past two decades have witnessed a growing number of studies on the profitability of technical trading rules. Early studies include Brock et al. (1992)[1] Blume et al. (1994)[2] and El-Din, S. and T. El-Din (2002) [3] who show that the moving average rules can beat the markets. Taylor and Allen (2002)[4], Wong, W. K, M. Manzur and B. K. Chew (2003)[5] demonstrate remarkable returns of technical indicators in the Singapore market. Most of the previous studies, however, focus on a single stock market or markets with similar economic background. For example, Leung, J. M. J. and T. T. L. Chong (2003)[6] Mobarek, A., Mollah, A. and Bhuyan, R. (2008)[7] Numan, Ülkü (2008)[8] Chong, T. T. L. and H. Ip



(2009)[9]compare the profitability of Moving Average Envelopes and Bollinger Bands in G7 in the stock markets. Compare the stock market efficiency of Brazil, Russia, India and China. 2 [10],[11],[12]

DATA AND TRADING RULES.

Sample The sample covers 2 major Indian stock market indices,

Period of studyThe sample period is from 2008-2009 to 2012-2013.

Source of data The closing price for each index is extracted from the Data Stream of benchmark of index of BSE (Sensex) and prices were sourced from respective exchanges publications and websites. The performance of trading rules is associated with exponential moving averages and MACD on BSE .

EMPIRICAL PART

The performance of trading rules is associated with Exponential Moving Averages and MACD on BSE. Moving average is a series of average value of security price over a pre-specified window. It is commonly used to highlight long-term trends or cycles by smoothing short-term fluctuations. When price rises above the moving average, the rising trend is likely to persist. Therefore, a buy signal is generated under this situation. Similarly, when the price crosses below the moving average, a sell signal is observed.

BREAKING DOWN 'Moving Average Convergence Divergence - MACD'

There are three common methods used to interpret the MACD

1. Crossovers - As shown in the chart above, when the MACD falls below the signal line, it is a bearish signal, which indicates that it may be time to sell. Conversely, when the MACD rises above the signal line, the indicator gives a bullish signal, which suggests that the price of the asset is likely to experience upward momentum. Many traders wait for a confirmed cross above the signal line before entering into a position to avoid getting getting "faked out" or entering into a position too early, as shown by the first arrow.

2. Divergence - When the security price diverges from the MACD. It signals the end of the current trend.



3. Dramatic rise - When the MACD rises dramatically - that is, the shorter moving average pulls away from the longer-term moving average - it is a signal that the security is overbought and will soon return to normal levels.

Traders also watch for a move above or below the zero line because this signals the position of the short-term average relative to the long-term average. When the MACD is above zero, the short-term average is above the long-term average, which signals upward momentum. The opposite is true when the MACD is below zero. As you can see from the chart above, the zero line often acts as an area of support and resistance for the indicator.

EXPONENTIAL MOVING AVERAGE(EMA)

Exponential moving averages are mathematical indicators of the underlying trend of the price movement. The closing prices of shares are used for calculation.

It is calculated by using the formula

EMA= (current closing price-previous EMA)*factor + previous EMA
Factor=2 / (n+1)

n is the number of days for which the average is calculated

In this study for a short term of 10 days and a long term of 200 days taken as n value The net results from the application of periodical ROI calculations in % on SENSEX stocks for a period of 10 years from July 2003 to June 2013 has been presented in the following table.

Table No. 1 EMA for short term(10 days) and long term (200 days) in Sensex

year	short term	Long term
2012-2013	18878.96	19242.8
2011-2012	16944.5	17083.91
2010-2011	18962.8	18919.58
2009-2010	16670.5	17233.24
2008-2009	11632.46	12566.64



Table 1 shows the annualized return rates for the Exponential moving average trading rule of BSE. The closing price of the first trading day in each sample is used as the EMA of that day in the computation. The numbers of transactions are reported in the parentheses. The figures are the highest returns. The short term calculation based on closing price depicts an upward trend. The long term calculated on 200 days also reports an upward trend line. Comparatively the long term EMA yields more.

Chart. No.1 EMA for short term in Sensex

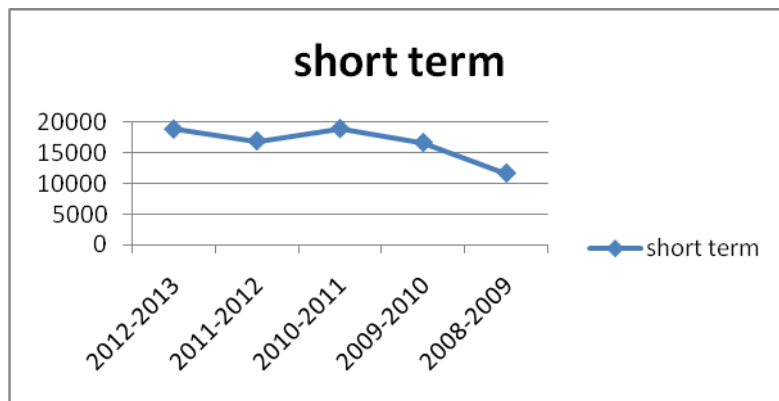
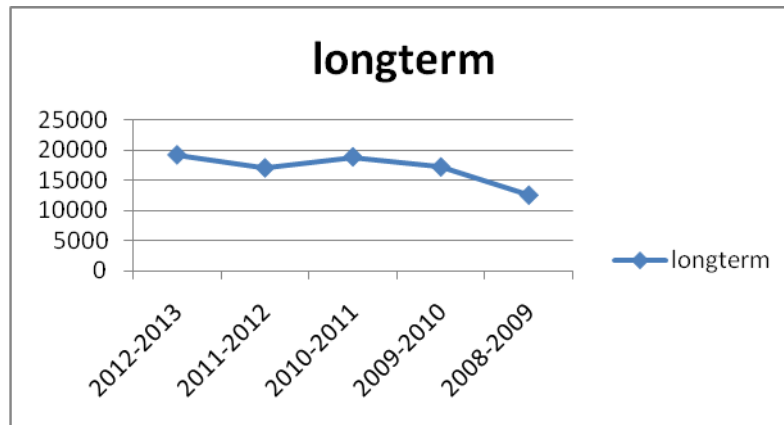


Chart. No.2 EMA for long term in Sensex



MOVING AVERAGE CONVERGENCE AND DIVERGENCE (MACD)

MACD is an oscillator that measures the convergence and divergence between two exponential moving averages. A short-term exponential moving average and a long-term exponential moving average are calculated with the help of the closing price data. The MACD values for different days are derived by deducting the long-term EMA for each day



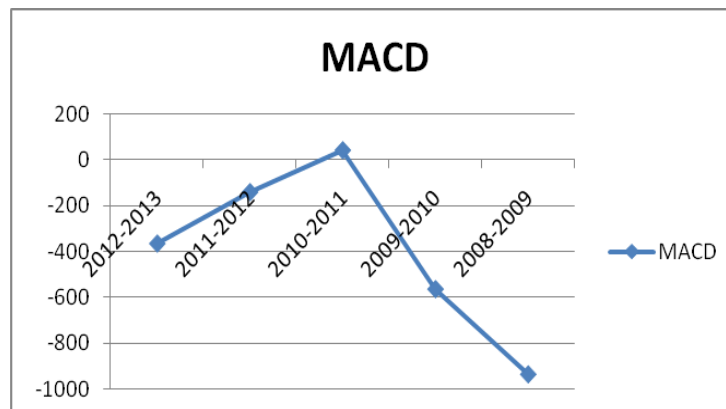
from the corresponding short-term EMA for the day. The result showing the MACD for the period is depicted in Table No.2.

Table No. 2 MACD in Sensex

year	MACD
2012-2013	-363.842
2011-2012	-139.415
2010-2011	43.225
2009-2010	-562.745
2008-2009	-934.174

Table 2 The MACD shows positive in the year 2010-2011. Thus the trend line helps the investors to trade according to the prevailing trend.

Chart No.3 MACD in Sensex



RESULTS

- The short term calculation based on closing price depicts an upward trend. The long term calculated on 200 days also reports an upward trend line. Comparatively the long term EMA yields more.
- The MACD shows positive in the year 2010-2011.
- The MACD shows a negative trend for four years 2012-2013, 2011-2012, 2009-2010 and 2008-2009 which aid to form a trend line helping the investors to trade according to the prevailing trend.



SCOPE FOR FUTURE RESEARCH

The present study gives the trend line for a period of five years. The study did not cover the meaning of the trend patterns. Further study can be made on trend patterns to interpret the meaning of stock price movement. The study of breadth of the market can also be made.

CONCLUSION

Despite the increasingly important role of trading in the world economy, the profitability of trading rules in Indian markets has not been extensively investigated. If trading rules successfully generate consistent profit, it is strong evidence against market efficiency. The findings suggest that the trading rules generate a notably higher return in Indian stock markets. Highest returns are generated by the 10-day and 200-day weighted moving averages. A positive relationship between the frequency of transactions and the return rates is also found.

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ECONOMIC EMPOWERMENT OF SCHEDULED CASTE WOMEN AND ITS IMPACT ON INDIAN ECONOMY

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ABSTRACT

In Indian society, castes retain separate identities but are related to each other as constituent units of a wider Hindu community. Empowerment of women has become the slogan and motto of many social reformers. Many of them agree that if this half of the population is deprived of basic human rights like social dignity, the term development itself requires a definition. According to Swami Vivekananda, there is no chance for the welfare of the world unless the condition of women is improvedⁱ. Untouchability in India, as the race and colour problems in the West, rested upon the idea of the superiority of one section of people over others on account of their birth. A Brahmin might be as poor as the untouchable, but not ill-treated by the society on that account.ⁱⁱ The present study focuses on the Empowerment of Scheduled Caste women of Coimbatore district. For this, 599 scheduled caste women have been selected for collecting their opinion about their empowerment status by using random sampling method.

INTRODUCTION

Scheduled castes consider better economic status or economic independence as a sure way of forcing change in the antagonism of higher castes towards them. But rural high castes show a marked characteristic of caste consciousness. They think that even after giving them equal social opportunities, scheduled castes cannot overtake them in education or material progress. Though in factories and workshops, the scheduled castes are seen working shoulder to shoulder with upper castes, when the same workers return to villages, they resort once again to the old codes of conduct. But the experience of city life is not entirely without any effect since segregation is not practiced with the same rigidity as before.



The history of 'impure' castes or 'untouchables' did not receive much attention during the nationalist phase of Indian historiography which was more interested in the glorification of the past and preferred to stay clear of the unsavoury aspects.ⁱⁱⁱ The lack of interest in the fortunes of lower communities was due to the vision of the historians being limited by their own dominant-class outlook. Nonetheless, the idea and the practice of untouchability in Hindu society was so striking enough to have given rise to a number of theories regarding its origins.^{iv} B.R. Ambedkar's theory that the roots of untouchability lay in the deliberate policy of the Brahmins who were full of contempt and hatred towards those who continued to eat beef isolated themselves from the Brahminal traditions by embracing Buddhism which had been strongly refuted by Vivekananda Jha on cogent grounds.^v The emphasis on 'purity' gave rise to people at the opposite end of the society who were considered to be 'impure'. Then between the most pure Brahmins and polluted untouchables the remaining three Varnas – Kshatriya, Vaisya and Sudra were inserted – according to their level of purity.

During this era, regional states were formed on the upper and middle reaches of the Ganga river, going beyond the framework of tribal institutions. The Kshatriyas who ruled these States saw the advantages of incorporating the ideas propounded by the Brahmanas into their policies, thus, contributing the political ingredient to the evolution of untouchability. That was to say, the existence of untouchables functioned to displace the dissatisfaction of the direct producers – Vaisyas and Sudras – within the Varna (colour) based society, thus ensuring stable social order.

The phrase 'Scheduled Castes' is used instead of 'Dalits' to describe the untouchables for the sake of clarity. Since, the present work focuses on the two major Scheduled Caste communities of Coimbatore district – Devendra kulam, Adi Dravidar and Arunthathiyar, who constitute a significant majority among the Scheduled Castes of the district, they are called Scheduled Castes instead of Dalits.

There is a greater need for the empowerment of women and the State is taking all steps to emancipate the socio-economic conditions of women. In 1995, as per the Human Development Report of 1.3 billion poor people living in developing countries 70 percent are women. Over the past two decades, the number of women living in absolute poverty has risen by 50 percent as against 30 percent for rural men. Women in India constitute 89 percent of



the informal and unorganised sector. Their participation rate is higher in rural areas.^{vi}

REVIEW OF LITERATURE

According to Ingole K.S. (2008)^{vii}, the caste as exclusion of backward castes people from social respects and economic benefits and to find out its implication on economic development in general and in particular of backward castes. Caste was the identity of a person in Hindu society. The unfavorable inclusions with unequal treatment may carry the same adverse effects as unfavorable exclusion. Darshan Sinfh (2009)^{viii} inferred that the polity of the country had realised the significance of the development of weaker sections especially the scheduled castes since independence. There was an urgent need to reorient and focus the strategy in order to support the less privileged by providing qualitative education and infusing among them the individualistic and moralistic values of self-denial, temperance, fore-thought, thrift, sobriety and self-reliance essential to bring these downtrodden into the national mainstream.

Angel Anila A. (2012)^{ix} found that SHGs were a viable alternative to achieve the objectives of rural development. SHGs played a pivotal role in social transformation and socio economic betterment of rural women. The Self Help Group was an important tool which helped the rural women to acquire power for their self-supportive life and nation building efforts. Sajeev B. U and K. Thangavel (2012)^x stated that in the matter of social development, though Kerala stands ahead of all other states in India, the pattern of distribution of social and economic opportunities within the state was highly inequitable among different social groups. Self-help groups (SHG) were vehicles for social, political and financial intermediation of the state. Paramasivan C. and Mari Selvam P. (2013)^{xi} found that Dalits in India were a powerful segment in terms of population, vote bank and workforce but in business, they were very rare due to social structure of the country which depresses these people whenever they come up in life. In this regard, the study on socio-economic profile of the dalit entrepreneurs in Tiruchirappalli district became a useful study which helped to explore the status of dalit entrepreneurs in the district.

Vandana Punia and Ram Niwas (2013)^{xii} examined the journey of human beings' journey from dissatisfaction to satisfaction. The researcher found in this research that there was a significant difference in the creative potential of scheduled caste students based upon



gender, residential area and type of family, caste category, parent's occupation, parent's education, family income and academic stream. The random sampling method was used to select 300 post graduate scheduled caste students for the study.

OBJECTIVES OF THE STUDY

1. To study the socio-economic status of the SC women in Coimbatore district.
2. To find out the economic empowerment of the Scheduled Caste women in Coimbatore district.

HYPOTHESES OF THE STUDY

There is no significant relationship between level of education and mode of observance of customary restriction during religious / ritual functions.

METHODOLOGY OF THE STUDY

First hand information pertaining to the scheduled caste women demographic profile and opinion of their economic empowerment status were collected from 599 sample respondents by using random sampling technique. For finding the result of the respondents' opinion, statistical tools like percentage analysis and Anova test were used.

RESULTS AND DISCUSSION

The socio-economic status of the respondents is given in the following table.

Economic status of the respondents

An attempt has been made to know the economic status of the respondents through their monthly family income, expenditure and savings. The details are furnished in the following table.



TABLE NO. 1

ECONOMIC STATUS OF THE RESPONDENTS

S.No.	Monthly Income	No. of Respondents	Percentage
1.	Below Rs.5000	282	47.1
2.	Rs.5000-Rs.8000	165	27.5
3.	Rs.8000-Rs.10000	101	16.9
4.	Above Rs.10000	51	8.5
	Total	599	100.0
	Monthly Expenditure		
1.	Below Rs.3000	250	41.7
2.	Rs.3000-Rs.5000	187	31.2
3.	Rs.5000-Rs.8000	100	16.7
4.	Above Rs.8000	62	10.4
	Total	599	100.0
	Monthly savings		
1.	Below Rs.3000	320	80.2
2.	Rs.3000-Rs.5000	43	10.8
3.	Rs.5000-Rs.8000	19	4.8
4.	Above Rs.8000	17	4.3
	Total	399	100.0

It could be identified from the above table that around 47.1 per cent of the respondents are earning below Rs.5000 per month and 8.5 per cent of the respondents are earning above Rs.10000 per month. Due to their low working status, their income level also comes down and their monthly expenditure level is also minimum. Most of them spend (41.7%) and save (80.2%) below Rs.3000 in a month. It is noticed that the scheduled caste women are considered weaker and economically backward to meet their basic needs like food, clothing and shelter.



TABLE NO. 2

OCCUPATIONAL STATUS OF THE RESPONDENTS

S.No.	Occupational Status	No. of Respondents	Percentage
	Nature of occupation		
1.	Government	72	12.0
2.	Private	161	26.9
3.	Daily Wage	126	21.0
4.	Petty Business	50	8.3
5.	Seasonal Business	23	3.8
6.	Traditional Business	19	3.2
7.	Housewife	148	24.7
	Total	599	100.0
	Occupation of Spouse		
1	Government	71	11.9
2	Private	223	37.2
3	Labour	253	42.2
4	Seasonal Business	16	2.7
5	Domestic chores	12	2.0
6	Unemployed or does not work	24	4.0
	Total	599	100.0
	Number of earning members in the family		
1	One	191	31.9
2	Two	288	48.1
3	Three	101	16.9
4	Above three	19	3.2
	Total	599	100.0

Most of the scheduled caste respondents are working due to poverty and to stabilize their life in society and take care of their needs. It could be determined from the above table that most (26.9%) of the respondents are working in private sector and minimum (3.2%) of the respondents are engaged in their traditional business. It is identified that most of the scheduled caste women were not doing any business and that significant number of respondents were working in private sector and also work as daily wage labourers. Majority (42.2%) of the respondents' spouses are working as labourers and minimum (2.0%) of the respondents' spouses are doing domestic chores.



Possession of Land

Scheduled castes, particularly women, on the whole in Coimbatore have retained the enjoyment of land possession. Implementation of the provisions of official land policy of the government of Coimbatore and the facilities of housing and tenancy regulations have well contributed to this enriched condition of Scheduled castes in Coimbatore. It is also significant to note that the allied programmes for the welfare of S.C. and S.T. have also enabled the Scheduled castes partially, though not fully, to strengthen the nature of their possessive character of wealth. In this, the highest (87.5%) share belonged to Adi dravidar women. Women from Arunthathiar community had showed the second best (82.9%) share in land possession. On enquiry, it was found that all the 84.5% respondents who owned land (506 out of 599) had a special affinity towards acquiring dry land as is evidenced by Table 3. This shows the prestige value attached to land by Scheduled caste women. With a view to find the relationship between the caste of the respondents and their land status, a hypothesis has been framed and it is discussed with the chi-square test.

Null Hypothesis : There is no significant relationship between caste of the respondents and ownership of land.

TABLE NO. 3 - CASTE OF THE RESPONDENTS AND OWNERSHIP OF LAND

S. No.	Caste	Ownership of land		Total
		Own land	Do not own land	
1.	Devendrakulam	68 (84.0%)	13 (16.0%)	81 (100.0%)
2.	Adi Dravidar	161 (87.5%)	23 (12.5%)	184 (100.0%)
3.	Arunthathiyar	277 (82.9%)	57 (17.1%)	334 (100.0%)
	Total	506 (84.5%)	93 (15.5%)	599 (100.0%)
	Calculated χ^2 value	8.652		
	Degree of freedom	2		
	Table Value	5.991		
	Result	Significant at 5% level		



It is evident that self acquisition of landed wealth by the respondents is an important development, which indeed contributes to the improvement of life and the general status of Scheduled caste women. The motivation and the new inspiration for a better standard of life depends on other factors too. Further, the chi-square test noticed that the hypothesis is rejected and so there is a significant relationship between caste of the respondents and their land status at 5 percent level of significance.

Relationship between monthly income and quantity of landed property

Depends of the monthly income of the scheduled caste women their property may differ. It can found the economic status of the scheduled caste women and their economic status can support to increase the economic status of the India. With a view to find the relationship between the monthly income level of the scheduled caste women and their quantity of landed property, a hypothesis has been framed and discussed in the following table.

TABLE NO. 4
MONTHLY INCOME OF THE RESPONDENTS AND QUANTITY OF LANDED PROPERTY (IN CENTS)

S. No.	Family monthly income	Quantity of landed property (in cents)			Total
		0-5	6-10	10 and above	
1.	Below Rs.5000	188 (77.7%)	38 (16.2%)	16 (6.6%)	234 100.0%)
2.	Rs.5000- Rs.8000	93 (67.9%)	27 (19.7%)	17 (12.4%)	137 100.0%)
3.	Rs.8001-10000	64 (72.7%)	16 (18.2%)	8 (9.1%)	88 100.0%)
4.	Above Rs.10000	24 (51.1%)	6 (12.8%)	17 (36.2%)	47 100.0%)
	Total	361 (71.3%)	87 (17.2%)	58 (11.5%)	506 100.0%)
	Calculated χ^2 value	14.652			
	Degree of freedom	6			
	Table Value	12.592			
	Result	Significant at 5% level			



The proportion of respondents in this category decreases with the decrease in income level of the respondents. Only 6.6% of the respondents in the lowest income group were found to possess more than 10 cents of land. Majority (36.2%) of the respondents from the highest income group possessed more than 10 cents of land. Here the influence of income background was found to be very much related to the possession of land. Women of higher income are found to be more concerned about building their status through greater land possession. Further, the chi-square test noticed that the hypothesis is rejected and so there is a significant relationship between monthly income level of the respondents and their quantity of landed property at 5 percent level of significance.

Caste of the respondents and availing of new amenities in life

It is very clear that the requirements of modern status indicators were possessed at least partially by the present generation of scheduled caste women. Hence, from this stage of analysis it is to be inferred that compared to the previous stages of social conditions in Coimbatore, the Scheduled caste women as revealed by this study, have achieved new dimensions of social status through the prescription of newer patterns of houses.

There is nothing new in modern society that every member desires new kind of facilities in life. This is more so among certain communities, who are more conscious of their social standing and reputation. Very often usual trends of living with facilities found in urban or to some extent modern rural families are radio, clock and similar articles which were once uncommon among the lower caste Hindu families in Coimbatore. In order to measure the dimensions of new means of acquiring status among scheduled caste women, the data were analysed with respect to the mode of availing of these facilities by Scheduled caste families in different communities.



TABLE NO. 5 - CASTE OF THE RESPONDENTS AND AVAILING OF NEW AMENITIES IN LIFE

S. No.	Caste	Availing of New Amenities				Total
		TV	TV / Radio	TV / Radio / Computer / Laptop	TV/ Radio/ Computer/ Laptop/ Internet	
1.	Devendrakulam	40 (49.4%)	10 (12.3%)	19 (23.5%)	12 (14.8%)	81 (100.0%)
2.	Adi Dravidar	60 (32.6%)	72 (39.1%)	44 (23.9%)	8 (4.3%)	184 (100.0%)
3.	Arunthathiyar	227 (68.0%)	76 (22.8%)	30 (9.0%)	1 (0.3%)	334 (100.0%)
	Total	327 (54.6%)	158 (26.4%)	93 (15.5%)	21 (3.5%)	599 (100.0%)
	Calculated χ^2 value	23.524				
	Degree of freedom	6				
	Table Value	12.592				
	Result	Significant at 5% level				

When the type of amenities owned by the respondents were analysed, it was found that majority of the respondents (54.6%) use television at home, 26.4% of respondents possess television / radio, 15.5% of the respondents have TV / radio / computer / laptop and only 3.5% have TV / radio / computer / laptop / internet. Community-wise reference to these articles indicated that the different communities had not shown much difference in the use of television. Hence, it is concluded that women were more advanced in the adoption of these materials to modify their attitudes and practices in daily life. Confining to this level of analysis, it is to be admitted in general that there is a popular demand for the use of television among the Scheduled caste women irrespective of community difference which indeed mark the progress in their daily life compared to the orthodox conventional life they had in traditional Coimbatore. Further, the chi-square test noticed that the hypothesis is rejected and so there is a significant relationship between caste of the respondents and availing of new amenities in life at 5 percent level of significance.



FINDINGS

- It is found from the analysis that majority (84.5%) of the scheduled caste women in the sample are very particular to have landed wealth as their major asset. This feeling is due to the overall contribution of land in building up their status symbols.
- Compared with other communities in the study, women from Devendrakulam and Adidravidar communities are found to occupy the prominent position in the acquisition of land. Educational and economically well-developed scheduled caste women do look on land as a status symbol more than others. In this sense, those who attain a high social status in the society are found to depend more on land since the acquisition of landed property contributed to furthering their status.
- In general, among the Scheduled caste women, possession of new items of wealth, land and housing architecture are found to facilitate the status identification of these women in a more visible manner as revealed in the study.
- It is divulged from the research that there is a significant relationship between caste of the respondents and their land status at 5 percent level of significance, there is a significant relationship between monthly income level of the respondents and their quantity of landed property at 5 percent level of significance and there is a significant relationship between caste of the respondents and availing of new amenities in life at 5 percent level of significance.

SUGGESTIONS

- The implementing agencies of each block can jointly conduct a detailed household survey in order to have a complete profile of households in their area of operation. It will help them in identifying various categories of the weaker sections, especially the scheduled castes and in chalking out appropriate credit schemes for helping them to improve their economic conditions of the scheduled caste women and also the economic status of India.
- The present ongoing economic support programmes are not concentrating on the educated women as well as the uneducated scheduled caste people. So, it is a must to classify and design viable works for improving their income, employment and asset



positions. In certain places, it is necessary to appoint a lady officer to study the programmes which are mostly suitable for the welfare of women.

- It is clear from the study, women from Devendrakulam and Adi dravidar communities are found to reach the major position in the acquisition of land. Educational and economically well-developed scheduled caste women do look on land as a status symbol more than others. So, the scheduled caste women who have more economic status, would purchase land for increasing of their wealth position. When wealth increases, their economic status also increases.

CONCLUSION

Because majority of the scheduled caste women are uneducated they are forced to work under upper class society to balance their wealth position and uphold their family situation. Hence, the respondents are forced to be aware of the schemes offered by the government to uplift their own lives through their own earning without any burden. Mainly, the scheduled caste males are working as labour due to lack of knowledge about the schemes provided by the government and also offered many sources to fulfill their needs. Most of the scheduled caste women are working in private and also as labourers, hence their monthly income is very low and they are unable to cope with the monthly expenses. Hence, the respondents should be aware of the loans offered by government and non-government schemes to make an earning through business activities and save their earnings.

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A STUDY ON FINANCIAL PERFORMANCE OF UNITED LIFE

INSURANCE

SUNEKA.S

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ABSTRACT

The insurance industry in India has been progressing at a rapid pace since opening up of the industry in 1999. Big changes have occurred over the last ten years, during which the sector was opened to private participation. The introduction of private players in the industry has added value to the industry. The initiatives taken by the private players are very competitive and have given immense competition to the public sector. After the entry of the foreign players, the industry is seeing a lot of competition and improvement of the customer service in the industry.

INTRODUCTION

There has always been some form of insurance in India, though most of it was of an informal nature. The formal insurance business as we know it today in both the life as well as the non-life sector was introduced in India by the British in the beginning of the 19th century. General insurance business in the country was nationalized in 1973. More than 100 non-life insurance companies including branches of foreign companies operating within the country were amalgamated and grouped into four companies viz., National, New India, Oriental and United India Insurance Company Ltd. In 1999, Insurance sector has been opened up for competition for Indian private insurance companies with the enactment of Insurance Regulatory and Development Authority Act, 1999 (IRDA Act).

OBJECTIVES OF STUDY

- To examine the profitability of United India Insurance company limited.
- To know the importance of insurance in the individuals life.



LIMITATION OF THE STUDY

The limitations of the study are as under.

1. The study covers only United India Insurance Company Limited.
2. The data which has been used for this study mainly secondary data.
3. The limitation of secondary data remains with it and also applies to this research work. The study is based on the information presented in the annual reports, which are subjected to correctness and accuracy of the date.
4. The result may differ during other period.

RESEARCH METHODOLOGY

The methodology adopted for the present study regarding the period of study, data analysis and research tools techniques.

TOOLS USED FOR ANALYSIS

❖ Ratio analysis

- 1.1. Liquidity ratio
 - Current ratio
- 1.2. Leverage ratio
 - Debt-Asset ratio
 - Interest coverage ratio

Ratio Analysis

The term ratio refers to the numerical or quantitative relationship between two items/ variables. This relationship can be expressed as: (i) percentages (ii) Fractions (iii) Proportion of numbers. Computing of ratios does not add any information not already inherent in the financial statement.

Liquidity Ratios

Liquidity refers to the ability of a firm to meet its short-term financial obligations when and as they fall due.



Current Ratio

The current Ratio is the ratio of current liabilities it is calculated as: -

$$\text{Current Ratio} = \text{Current Assets} / \text{Current Liabilities}$$

The current assets include cash and Loans, Investments and fixed assets. The current liabilities include creditor's cash and bank balances, advances and other assets. The current ratio measures the ability of the firm to meet its current liabilities. The current assets get converted into cash into the operational cycle of the firm and provide the fund needed to pay current liabilities

Table 4.1 - CURRENT RATIO

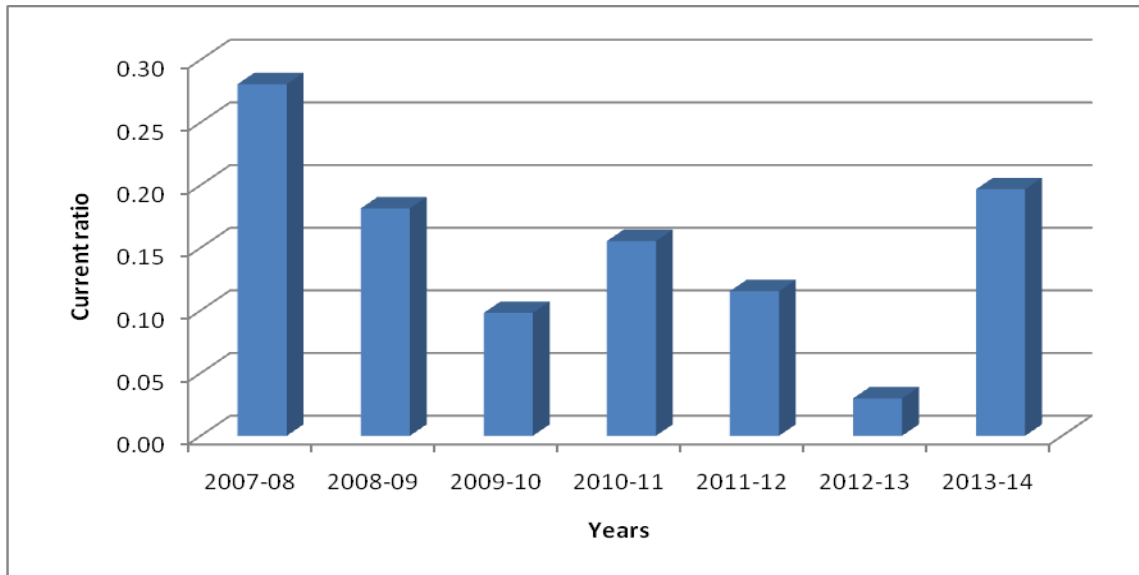
Years	Current Assets	Current Liabilities	Current Ratio
2007-08	176.34	628.57	0.28
2008-09	148.99	821.6	0.18
2009-10	131.25	1,338.78	0.10
2010-11	262.71	1,691.36	0.16
2011-12	415.41	3,601.35	0.12
2012-13	297.42	9,988.32	0.03
2013-14	3,090.67	15,717.05	0.20
MEAN	646.11	4826.71	0.152
STDEV	1082.479355	5808.106277	0.079731693

Interpretation

The above table shows about the current ratio for the last 7 years from 2008-14. The current ratio was high in the year 2007-08 at 0.28 and was low at 0.03 in the financial year 2012-13 which shows that the ratio never reached to the limit of 2:1 in last seven years and if it maintains the same it will get effected in the total assets of the company and also in net profit of the company.



Chart No-4.1- - CURRENT RATIO



Working Capital Turnover Ratio = Cost of Goods Sold / Net Working

Table No-4.2 -Working Capital Turnover Ratio

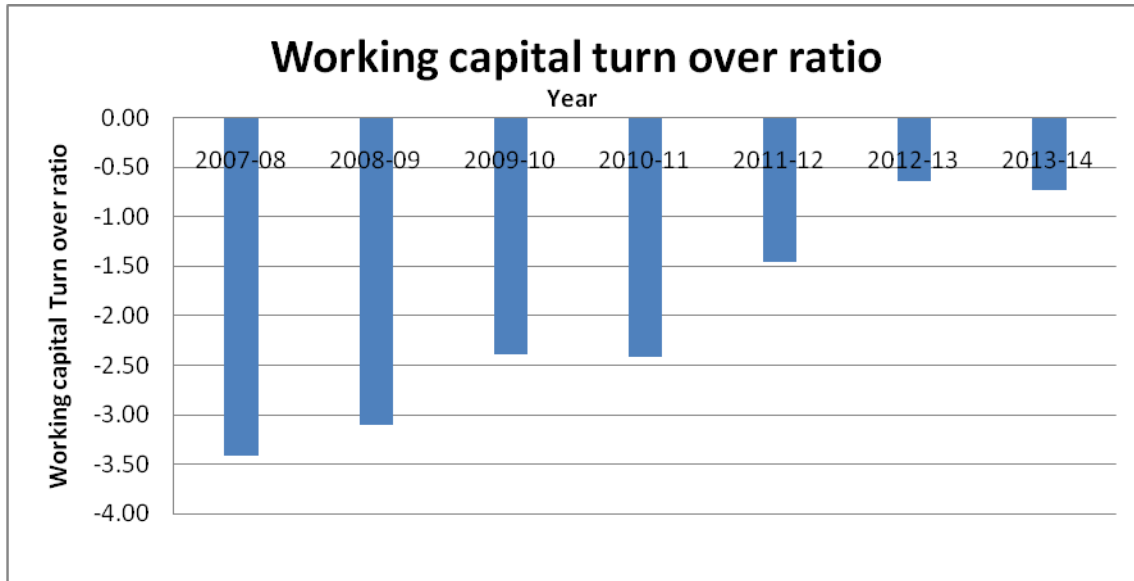
Years	Sales	Working Capital	W.C.T.O
2007-08	1,547.13	-452.23	-3.42
2008-09	2,089.40	-672.61	-3.11
2009-10	2,880.17	-1,207.53	-2.39
2010-11	3,456.24	-1,428.65	-2.42
2011-12	4,620.09	-3,185.94	-1.45
2012-13	6,114.86	-9,690.90	-0.63
2013-14	9,181.38	-12,626.38	-0.73
MEAN	4,269.90	-4180.605714	-2.021428571
STDEV	2658.652385	4921.095155	1.10800765

Interpretation

The above table shows about the working capital turnover ratio for the last seven years from 2008-14. The working capital turnover ratio was high in the year 2007-08 at -3.42 and was low at -0.73 in the year 2013-14 which shows that the ratio never reached a positive side in last seven years it's because of working capital of the company. The working capital of the company shows that the net current assets are lesser than the liabilities of the company. If the same situation continues in future then there will be a huge impact in the operations of the company.



Chart No-4.2



4.1.2.2 Debtors Turnover Ratio

The debtors turnover ratio is determined by dividing the net credit sales by average debtors outstanding during the year. Therefore

$$\text{Debtors Turnover Ratio} = \text{Net Credit Sales} / \text{Average debtors}$$

Table No-4.3 - Debtor's turnover ratio

Years	SALES	DEBTORS	DEDTORS T.O.RATIO
2007-08	1,547.13	68.29	22.66
2008-09	2,089.40	65.08	32.11
2009-10	2,880.17	0.00	0
2010-11	3,456.24	0	0
2011-12	4,620.09	0	0
2012-13	6,114.86	0	0
2013-14	9,181.38	0	0
MEAN	4,269.90	-4180.60	-2.02
STDEV	2658.65	4921.09	1.10

Interpretation

The above table shows about the debtors turnover ratio for the last seven years from 2008-14. The debtors turnover ratio was calculated from the financial year 2007 to 09 and after that it was not published in the balance sheet. It shows that the ratio was high at 32.11 in the financial year 2008-09.



FINDINGS

Ratio analysis

- The current ratio was high in the year 2007-08 at 0.28 and was low at 0.03 in the financial year 2012-13 which shows that the ratio never reached to the limit of 2:1 in last seven years and if it maintains the same it will get effected in the total assets of the company and also in net profit of the company.
- The working capital turnover ratio was high in the year 2007-08 at -3.42 and was low at -0.73 in the year 2013-14 which shows that the ratio never reached a positive side in last seven years it's because of working capital of the company. The working capital of the company shows that the net current assets are lesser than the liabilities of the company. If the same situation continues in future then there will be a huge impact in the operations of the company.

SUGGESTIONS

- If the current ratio maintains the same it will get affected in the total assets of the company and also in net profit of the company. So the company has to take remedy measure on the current liability side based on the cash flow of the company so that the ratio can be maintained according to the formula and so that financial stability of the firm can be in maintained in a good way accordingly.
- The working capital shows that the firm is not in a developing stage and if it continues further then the growth rate can be dropped which affects in the net profit of the company. If the company tries to stabilize the volume then there is a probability of getting positive working capital which can be added in the asset side in future period of time.

CONCLUSION

For analyzing the data ratio analysis, common size balance sheet, correlation and trend analysis were made and the conclusion is that the current ratio is not up to the desired value but the overall performance of the company is good which shows that if the company concentrates more on the current ratio then the net profit and working capital of the company can be increased in future period of time.



FDI INFLOWS IN INDIA DURING THE FIRST TWO QUARTERS OF 2015

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ABSTRACT

Foreign Direct Investment (FDI) is an important driver of growth. It is an important source of non debt financial resources for any country that leads to economic development. It is a means of achieving technical know- how and employment generation. However many are of the view that FDI is a big threat to sovereignty of host and domestic business houses. Faster exploitation of natural resources for profit may deprive host from such resources in long run. Midst of debate on pros and cons of FDI, world economy has observed a phenomenal change in volume and pattern of FDI. There is clearly an intense global competition of FDI. India is not behind this global race of attracting foreign investment. India emerged as an attractive FDI destination in services but has failed to evolve a manufacturing hub which has greater economic benefit. FDI though one of the important sources of financing the economic development, is not a solution for poverty eradication, unemployment and other economic ills. India needs a massive investment to achieve the goals of vision 2020.Hence an attempt has been made to study the flow of FDI inflows during the first two quarters of 2015.

Key words: Foreign Direct Investment (FDI), FDI inflows, Foreign Investment Promotion Board (FIPB).

INTRODUCTION

Capital Formation is an important determinant of economic growth. While domestic investments add to the capital stock, Foreign Direct Investments(FDI) plays a complimentary role in overall capital formation by filling the gap between the desired investment and domestically mobilized saving. Within the policy circles, there is a widespread belief that FDI enhances the productivity of host countries and promotes economic development. This notion stems from the fact that FDI may not only provide direct capital financing, but also create positive externalities via the adoption of foreign technology and know-how. It also may increase tax revenues and improve management, technology, as well as labor skills in



host countries. Moreover, the very presence of foreign owned firms in an economy increases competition in the domestic market. The competition pressure may spur local firms to operate more efficiently and introduce new technologies than earlier would otherwise have been the case. Because foreign firms are not able to extract full value of these gains, this effect is commonly referred as spillover effect.

FDI is considered to be a major channel through which advanced technologies are transferred to developed countries. FDI are considered to be the life blood and an important vehicle for economic development as far as developing nations are concerned. The important effect of FDI is its contribution towards the growth of the economy. This paper aims at bringing in the understanding of FDI along with its categories, and the trend of FDI inflows in India during the first two quarters of 2015 (January 2015 to June 2015).

REVIEW OF LITERATURE

Romer¹(1993) states that there is a direct relationship between inward FDI in relation to size and economic development of the country. One of the most important and easily implemented policies is to give foreign firms an incentive to close the idea gap, to let them make a profit from doing so. FDI and the corresponding entry of MNC into developing country markets are now viewed as the key to rapid economic growth. Blomstrom, Lipsey and Zejan² (1996) found that Foreign Direct Investment has a substantial, positive effect on macroeconomic growth, particularly when the host country has abundant stock of Human Capital and Skilled labor.

Tatonga Gardner Rusike³(2007) in his study, “ Trends and determinants of inward Foreign Direct Investment to South Africa “ analyzed the trends and determinants of inward Foreign Direct Investment to South Africa for the period 1975-2005. The analysis indicated that openness, exchange rate and financial development are the important long run determinants of FDI. Increased openness and financial development attracts FDI.

Balasubramanyam V.N. Sapsford David⁴ (2007) in their article “ Does India need lot more FDI “ compared the levels of FDI inflows in India and China, and found that FDI in India is one tenth of that of China. The paper also found that India may not require increased FDI because of the structure and composition of India’s manufacturing, service sectors and her endowments of Human Capital. The requirements of managerial and organizational skills of these industries are much lower than that of labor intensive industries such as those in China.



Also, India has a large pool of well – Trained engineers and scientists capable of adapting and restructuring imported know-how to suit local factor and product market condition, all these factors promote effective spillovers of technology and know-how from foreign firms to locally owned firms. The optimum level of FDI, which generates substantial spillovers, enhances learning on the job, and contributions to the growth of productivity, is likely to be much lower in India than in other developing countries including China. The country may need much larger volumes of FDI than it currently attracts if it were to attain growth rates in excess of 10 percent per annum. Finally, they concluded that the country is now in a position to unbundle the FDI package effectively and rely on sources other than FDI for its requirements of capital.

OBJECTIVES OF THE STUDY

- To study the market size of FDI inflows in India during the first six months of 2015
- To study the recent FDI approvals as per FIPB.

FOREIGN DIRECT INVESTMENTS

The European Commission defines Foreign Direct Investment (FDI) as “the establishment or acquisition of income generating assets in a foreign country over which the investing firm has control”.

TYPES AND FORMS OF FDI

a) INWARD FOREIGN DIRECT INVESTMENT

This refers to long term capital inflows into a country other than aid, portfolio investment or a repayable debt. It is done by an entity outside the Home country in the host country.

b) OUTWARD FOREIGN DIRECT INVESTMENT

This refers to long term capital outflow from a country other than aid, portfolio investment or a repayable debt. It is done by an entity outside the home country.

c) HORIZONTAL FOREIGN DIRECT INVESTMENT

This refers to a multi-plant from producing the same line of plants located in different countries.

d) VERTICAL FOREIGN DIRECT INVESTMENT

If the production process is divided into upstream (parts and components) and downstream (assembly) stages, and only the latter stage is transferred abroad, then the



newly established assembly plants and components can be met by exports from home country suppliers. It is described as ‘vertical FDI’ as its main aim is to exploit scale economies at different stages of production arising from vertically integrated production relationships.

e) GREEN FIELD INVESTMENT

It involves the establishment of a wholly new operation in a foreign country.

f) BROWN FIELD INVESTMENT

It involves acquiring or merging with an existing firm in a foreign country. Acquisition can be a minority (where the foreign firm takes a 10 percentage to 49 percentage in the company’s share capital and voting rights), or majority (foreign interest of 50 percentage to 99 percentage) or full outright stake (foreign interest of 100 percentage).

FDI IN INDIA

PRESENT MARKET SIZE OF FDI ACCORDING TO DIPP

According to Department of Industrial Policy and Promotion (DIPP), the total FDI inflows soared by 24.5 per cent to US\$ 44.9 billion during FY2015, as compared to US\$ 36.0 billion in FY2014. FDI into India through the Foreign Investment Promotion Board (FIPB) route shot up by 26 per cent to US\$ 31.9 billion in the year FY2015 as against US\$ 25.3 billion in the previous year, indicating that government's effort to improve ease of doing business and relaxation in FDI norms is yielding results. Data for FY2015 indicates that the increase in the FDI inflows was primarily driven by investments in infrastructure and services sector. Within Infrastructure, Oil & Gas, Mining and Telecom witnessed higher FDI inflows, whereas IT services and trading (wholesale, cash & carry) drove the services inflows. Most recently, the total FDI inflows for the month of May 2015 touched US\$ 3.85 billion as compared to US\$ 3.6 billion in the same period last year. During FY2015, India received the maximum FDI equity inflows from Mauritius at US\$ 9.03 billion, followed by Singapore (US\$ 6.74 billion), Netherlands (US\$ 3.43 billion), Japan (US\$ 2.08 billion) and the US (US\$ 1.82 billion). Healthy inflow of foreign investments into the country helped India’s balance of payments (BOP) situation and stabilized the value of rupee.

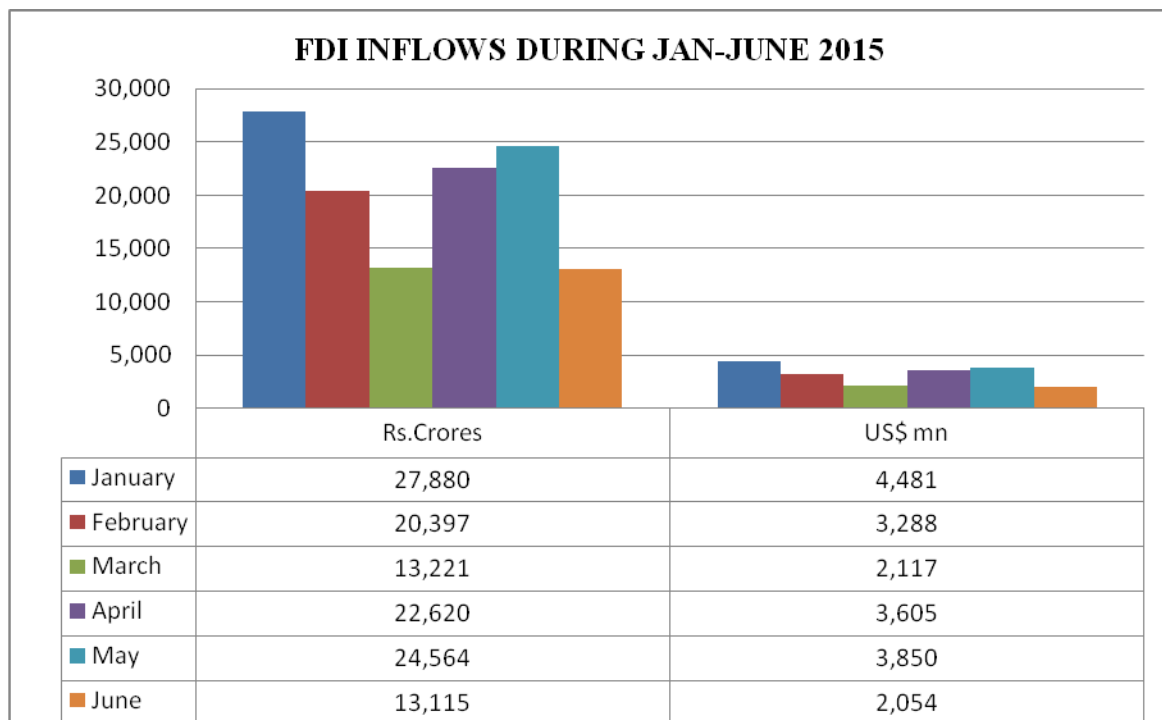
According to the data released by Grant Thornton India, the total merger and acquisitions (M&A) and private equity (PE) deals in the month of May 2015 were valued at US\$ 3.2 billion (115 deals), which is 21 per cent higher in volume as compared to May 2014.



FDI INFLOWS IN INDIA FROM JANUARY TO JUNE 2015

MONTH	AMOUNT OF FDI EQUITY INFLOWS	
	(in Rs. Crores)	(in US \$ mn)
JANUARY 2015	27,880	4,481
FEBRUARY 2015	20,397	3,288
MARCH 2015	13,221	2,117
APRIL 2015	22,620	3,605
MAY 2015	24,564	3,850
JUNE 2015	13,115	2,054

Source Department of Industrial Policy and Promotion (2015 Statistics)

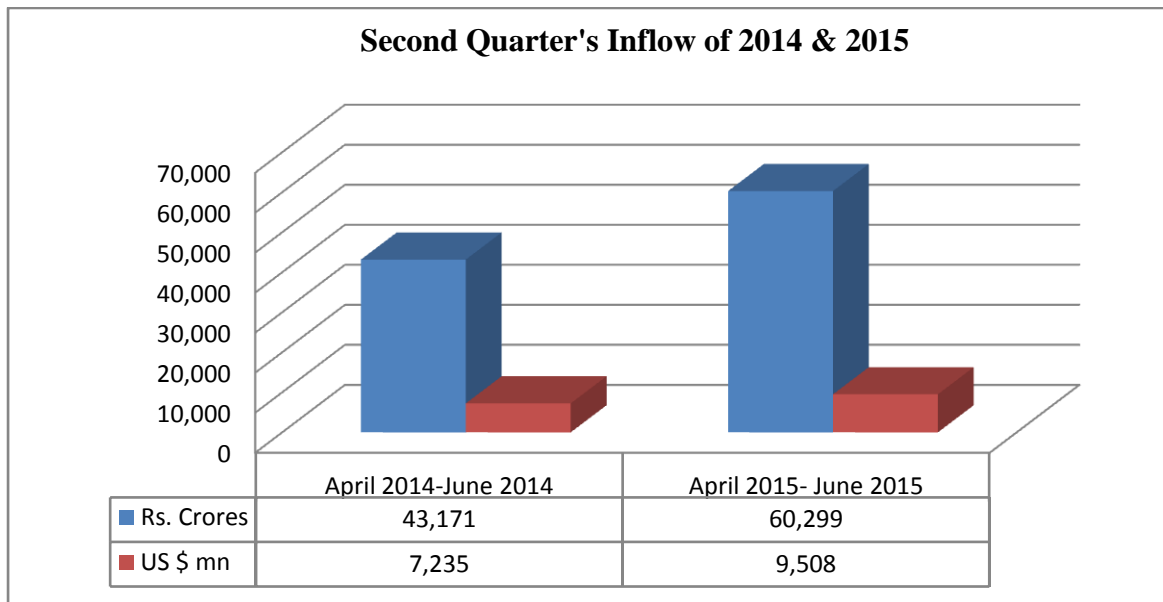


There may not be a constant growth in the level of FDI inflows during the six months (i.e. January 2015- June 2015) but when compared to the first quarter of 2014 (i.e. April 2014- June 2014) , the first quarter of 2015 (i.e. April 2015- June 2015) has a positive effect.



Year	Amount In (Rs.Crore)	Amount (Us \$ Mn)
2015-16 (from April, 2015 to June, 2015)	60,299	9,508
2014-15 (from April, 2014 to June, 2014)	43,171	7,235
Percentage growth over last year	(+) 40 %	(+) 31%

Source Department of Industrial Policy and Promotion (2015 Statistics)



RECENT FIPB APPROVALS

Based on the recommendations of Foreign Investment Promotion Board (FIPB), the Government, in a meeting held on July 15, 2015, approved 10 proposals of FDI amounting to approximately Rs 1,675 crore (US\$ 262 million).

Some of the recent significant FDI announcements are as follows

- Google plans to invest Rs 1,500 crore (US\$ 234.3 million) for a new campus in Hyderabad which will be focused on three key areas — Google Education, Google Fibre broadband services and Street view.
- Taiwan based Foxconn Technology Group, world's largest electronics manufacturer, will establish 10–12 facilities in India including data centers and factories by 2020.
- Warburg Pincus, a US based Private Equity (PE) firm, has planned to invest Rs 850 crore (US\$ 132.8 million) in E-com Express – an India based logistics solutions provider.



- Gap Inc., a US based retail chain, opened its first store in Delhi and plans to open 40 more stores in the next 4–5 years which will be spread across the top 10 cities in India.
- Dalian Wanda Group, one of China’s largest real estate firms, has planned to invest US\$ 10 billion in India in the next 10 years which will be used to construct retail properties and industrial townships.
- Microsoft Corporation has planned to establish three data centers in India which will have the ability to scale up easily without much of physical expansion. These data centers will be used by the firm to equip itself better towards the sectors such as government and financial services.
- Royal Dutch Shell PLC, a global oil and gas giant, is planning to expand its retail outlet network by utilizing its existing license to establish 2,000 fuel stations. Shell has already invested around US\$ 1 billion in India and currently has 75 operational outlets.
- Nando’s, a South African restaurant chain, has planned to open 12 more restaurants in India which will require an investment of Rs 75 crore (US\$ 12 million) taking the total number to 20 by 2017.
- US based BrightSKY has planned to establish a plant in Naya Raipur India to manufacture 4G devices, Light Emitting Diode (LED) bulbs and telecom products. The proposed plan will require an investment of Rs 500 crore (US\$ 78.11 million) and would generate direct and indirect employment for over 600 citizens.
- Carlyle Group, a US based PE firm, will be investing US\$ 500 million in Magna Energy Ltd which is an India-focused upstream oil and gas company.
- Germany based multinational engineering and electronics company Bosch will invest Rs 650 crore (US\$ 101.54 million) in 2015 to expand its reach. The firm will establish a plant in Bidadi and convert its existing plant to a full-fledged technology centre and software development park.
- Japan’s Softbank will form a Joint Venture (JV) together with Foxconn Technology Group and Bharti Enterprises to invest US\$ 20 billion in the renewable energy sector of India with an aim to set up 20,000 MW of projects in the next ten years.
- Wal-Mart India Pvt Ltd, a wholly owned subsidiary of Wal-Mart stores Inc, has planned to expand to 500 stores across India in the next 10 - 15 years, compared to 20 stores currently operating across eight states.



HIGHLIGHTS OF FDI INFLOWS DURING AUGUST 2015

- ✓ Bosch opens fifth manufacturing plant in Karnataka on 27th August, 2015.
- ✓ Meizu Technology plans to manufacture smart phones in India revealed on 26th August, 2015.
- ✓ August 17, 2015 - UAE to raise investment in India to Rs 5 lakh crore.

CONCLUSION

FDI Inflows in India helps India have more capital formation. According to United Nations Conference on Trade and Development (UNCTAD) World Investment Report 2015, India acquired ninth slot in the top 10 countries attracting highest FDI in 2014 as compared to 15th position last year. The report also mentioned that the FDI inflows to India are likely to exhibit an upward trend in 2015 on account of economic recovery. India will require around US\$ 1 trillion in the 12th Five-Year Plan (2012–17), to fund infrastructure growth covering sectors such as highways, ports and airways. This would require support from FDI flows. Since the inception of “Make in India “ mission FDI inflows has increased proving the economic development by means of Foreign Investments in this upcoming century.

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A COMPARATIVE ANALYSIS OF THE FINANCIAL PERFORMANCE OF SELECTED INFORMATION TECHNOLOGY SECTOR IN INDIA

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ABSTRACT

The performance of the IT company plays a leading role towards the growth of the industry which ultimately leads to the overall success of the economy. The present study attempts to examine the financial performance of five Indian IT companies on the basis of various parameters. For measuring it, various financial ratios have been calculated taking into consideration liquidity, solvency, profitability. Generally, performance can be estimated by measuring the profitability of industry. This paper presents a quantitative model based on financial ratios to assess the financial performance and, and its chances of business survival. The following financial ratios are used: Current ratio, absolute liquid ratio, debt-equity ratio, proprietary ratio, debt ratio, operating ratio

Key words: Financial performance, Liquidity, Solvency, Profitability

INFORMATION TECHNOLOGY IN INDIA

Information technology in India is an industry consisting of two major components: IT services and business process outsourcing. The sector has increased its contribution to India's GDP from 1.2% in 1998 to 7.5% in 2012. The IT industry has not only transformed India's image on the global platform, but has also fuelled economic growth by energising the higher education sector especially in engineering and computer science. India's cost competitiveness in providing IT services, which is approximately 3-4 times cheaper than the US, continues to be its unique selling proposition (USP) in the global sourcing market.

The Indian IT and ITeS industry is divided into four major segments – IT services, business process management (BPM), software products and engineering services, and hardware.



The IT-BPM sector in India grew at a compound annual growth rate (CAGR) of 25 per cent over 2000-2013, which is 3-4 times higher than the global IT-BPM spend, and is estimated to expand at a CAGR of 9.5 per cent to US\$ 300 billion by 2020.

GOVERNMENT INITIATIVES

Some of the major initiatives taken by the government to promote IT and ITeS sector in India are as follows:

- India and the United States (US) have agreed to jointly explore opportunities for collaboration on implementing India's ambitious Rs 1.13 trillion (US\$ 18.22 billion) 'Digital India Initiative'. The two sides also agreed to hold the US-India Information and Communication Technology (ICT) Working Group in India later this year.
- India and Japan held a Joint Working Group conference for Comprehensive Cooperation Framework for ICT. India also offered Japan to manufacture ICT equipment in India.
- The Government of Telangana began construction of a technology incubator in Hyderabad—dubbed T-Hub—to reposition the city as a technology destination. The state government is initially investing Rs 35 crore (US\$ 5.64 million) to set up a 60,000 sq ft space, labelled the largest start-up incubator in the county, at the campus of International Institute of Information Technology-Hyderabad (IIIT-H). Once completed, the project is proposed to be the world's biggest start-up incubator housing 1,000 start-ups.

STATEMENT OF PROBLEM

Information Technology industries which are categorized under the service sector is one of the most important industries in the Indian economy. Financial statements are the indicators of Solvency, Profitability and financial soundness of business concern. An effective analysis and interpretation of the financial statements using various financial tools helps in better understanding of financial statements. Hence an attempt has been made to analyze the financial performance of selected Indian companies of IT sector.



OBJECTIVE OF THE STUDY

To analyze and interpret the financial performance of five Indian IT companies through ratio analysis.

AREA OF STUDY

- Tata consultancy services
- Infosys
- Wipro
- Tech Mahindra
- Polaris

BASIS OF SELECTION

The companies of information technology sector has been selected based on ranking made by the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) considering sales and market capitalisation as the base criteria.

SOURCE OF DATA

The study is based on the Balance sheets of selected companies for the selected period of study obtained from the website moneycontrol.com.

RATIO ANALYSIS

Quantitative analysis of information contained in a company's financial statements. Ratio analysis is based on line items in financial statements like the balance sheet, income statement and cash flow statement; the ratios of one item – or a combination of items - to another item or combination are then calculated. Ratio analysis is used to evaluate various aspects of a company's operating and financial performance such as its efficiency, liquidity, profitability and solvency. The trend of these ratios over time is studied to check whether they are improving or deteriorating. Ratios are also compared across different companies in



the same sector to see how they stack up, and to get an idea of comparative valuations. Ratio analysis is a cornerstone of fundamental analysis.

LIQUIDITY RATIOS

Ratios that measure a firm's ability to meet its short-term financial obligations on time, such as the ratio of current assets to current liabilities.

CURRENT RATIO

The current ratio is a liquidity and efficiency ratio that measures a firm's ability to pay off its short-term liabilities with its current assets. The current ratio is an important measure of liquidity because short-term liabilities are due within the next year.

Current assets like cash, cash equivalents, and marketable securities can easily be converted into cash in the short term. This means that companies with larger amounts of current assets will more easily be able to pay off current liabilities when they become due without having to sell off long-term, revenue generating assets.

QUICK RATIO

The quick ratio or acid test ratio is a liquidity ratio that measures the ability of a company to pay its current liabilities when they come due with only quick assets. Quick assets are current assets that can be converted to cash within 90 days or in the short-term. Cash, cash equivalents, short-term investments or marketable securities, and current accounts receivable are considered quick assets.

RATIO ANALYSIS

LIQUIDITY RATIOS

COMPANIES	TCS	INFOSYS	WIPRO	TECH MAHINDRA	POLARIS
Current Ratio	1.91	4.95	2.05	1.84	1.59
Liquid Ratio	3.46	6.14	3.03	3.86	3.31
Absolute Liquid Ratio	1.88	4.14	2.43	2.35	2.07



Interpretation

Liquidity ratios such as Current Ratio, Liquid Ratio, Absolute Liquid Ratio have been calculated for the following companies. From the above table it is clearly shown that Liquidity ratios are high in Infosys followed by TCS. This shows that the firm has ability to meet its short term obligations.

SOLVENCY RATIOS

Solvency ratios measure the ability of a company to pay its long term debt and the interest on that debt. Solvency ratios, as a part of financial ratio analysis, help the business owner determine the chances of the firm's long-term survival.

SOLVENCY RATIOS

COMPANIES	TCS	INFOSYS	WIPRO	TECH MAHINDRA	POLARIS
Debt- Equity Ratios	0.0069	-	0.2120	0.2008	0.0207
Debt Ratio	0.0088	-	0.1650	0.1359	0.0198
Proprietary Ratio	0.993	1	0.856	0.8641	0.988
Total Assets to Debt Ratio	323.86	-	88.65	201.08	138.31

Interpretation

From the above table is clearly stated that there is debt content in infosys only the shareholders funds are used as capital to run the business.

PROFITABILITY RATIO

A profitability ratio is a measure of profitability, which is a way to measure a company's performance. Profitability is simply the capacity to make a profit, and a profit is what is left over from income earned after you have deducted all costs and expenses related to earning the income.



PROFITABILITY RATIOS

COMPANIES	TCS	INFOSYS	WIPRO	TECH MAHINDRA	POLARIS
Net Profit Ratio	25.08	26.84	18.26	12.69	8.27
Operating Ratio	29.34	32.34	22.57	22.01	12.54

Interpretion

From the above table it is observed that all the companies performance seems to be good ,All the companies have enough profits after deducting all cost and expenses incurred.

CONCLUSIONS

➤ **TATA CONSULTANCY SERVICES:**

Prevalence of huge sum of cash , bank balances have raised the current assets. The same should be reduced in order to maintain the risk at lower levels.

➤ **INFOSYS:**

The huge cash and bank balances account for the majority portion of current assets.So it has been suggested that the idle cash balance may be invested in some other avenues .

➤ **WIPRO:**

The company is partly financed by debt content hence the net profits of the company were widely fluctuating through its sales

➤ **TECH MAHINDRA:**

The current liabilities have increased double fold in the years of study and the accumulated credits should be paid off by utilizing its huge cash and bank balances.

➤ **POLARIS:**

The liquidity ratios of the company brings out that its liquidity position is unfavourable and needs quick attention bu increasing its cash and bank balances.

REFERENCES

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THE STUDY OF ICICI BANK LIMITED

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ABSTRACT

The banking industry, one of the most important instruments of the national development occupies a unique place in a nation's economy. Profit is the main reason for the continued existence of every commercial organization and profitability depicts the relationship of the absolute amount of profit with various other factors. The main source of operating income of a commercial bank are- interest and discount earned, commission, brokerage, income from non banking assets and profit from sale of or dealing with such assets and other receipts. Their ability to make a positive contribution in igniting the process of growth depends on the effective banking system. These banks mostly deal with money collected in the form of deposits along with their own funds in the form of share capital and resources constituting around 5% of the total resources of the banks. So the banks have the obligation of meeting the demand of the customers promptly, paying interest for the amount and meeting the expenses to carry out its activities. This necessitates the banks to maintain adequate liquidity and earn required profit from their activities.

INTRODUCTION- BANK

The bank is an institution which deals in only money and credit, thus bank is an intermediary who handles other people money both for their advantage and to its own profit but bank is not merely a trader in money but also an important manufacturer of money. In other words a bank is a factory of credit Banking system occupies an important place in a nation's economy. In the present world the vital process of production and consumption are significantly affected by the aggregate money supply which consists of the currency demand and time deposits with banks any change in the circular flows of the aggregate money supply is bound to extent its significant influence on size and composite of the real aggregate economic variable consumption, production, saving, investment, employment in the economy. Banking today is technology driven with technological advancement with



conventional branch banking is giving way to “any time any where banking” these innovations in banking also new dimensions to customer.

DEFINITION

According to **John.J.Hampton** the term finance can be defined as “The management of the flows of money through an organization whether it will be corporation school or bank or government agency.”

The term finance means the management of flows of money through an organization came from the **Latin** words “**finis**” finance actually is the process of acquiring money using money (profit by a business enterprise)

OBJECTIVES OF STUDY

- To study the financial position of company.
- To know about the concept of ICICI Bank.
- To study the profitability of the ICICI bank.

RESEARCH AND METHODOLOGY

Research

Research means systematic investigation the word itself suggests there examiner. It is the quest for knowledge one may define as process of knowing new facts and verifying one by one application of scientific methods to natural on social phenomena. So as to come to explanation of low governing those phenomena. Research design is arrangement of conditions for analysis of data in a manner that aims to combine relevance to the research purpose with economically in the producer.

Methodology

Research is commonly referred to as search for knowledge research is considered as an endeavor to discover answer to intellectual and practical problem through the application of the scientific method to knowledge universe in short research is one art of scientific investigation the search for knowledge through object and systematic method of finding solution to problems is called research.



DATA COLLECTION

After establishing the objective and determining the design of the research study. It is necessary to collection accurate data the data they are needed for the study can be classified as

1. Primary data
2. Secondary data

Primary

The primary data are that are collect as fresh for the first time.

Secondary data

The secondary data are those which have already collected by someone and which have already been passed through the statistical process. The secondary data were collocated using ratio analysis.

PERIOD OF STUDY

This study covers a period of five year from 2010-2014.

TOOLS FOR ANALYSIS

- Ratio analysis

REVIEW OF LITERATURE

A brief literature would to of immense help to the research in gaining into the selected problem. The research would gain goods back ground knowledge of the problem by reviewing certain studies. A reference to these earlier studies will be related in the context shaping the present study.

DR.BALASUBRAMANIAN &S.MAHADEVAN (2001)¹The conducted a study on “need of commitment for to quality and customer service quality in India banking sector” in their study they discussed service industries are playing an increasingly important role in the overall India economy. Interest in the need and measurement of service quality is thus



understandably high and most important. Service quality is an elusive and obstruct that is difficult to define and the measure. In addition to date important relationship between service quality customers satisfaction and purchasing behavior remain largely unexplored

DR.SARAVANAKUMAR (2009) in his article “an analysis on the customer satisfaction on e-banking and service. A case study of selected commercial banks in Coimbatore city” he analysis the service quality of selected public and private sectors banks in the city of Coimbatore. With the growth of the economy the service sector, more specifically the banking industry has been gaining movements the evaluated the quality of services provide by the banks before becoming the customers that determine the program of banking institution.

DATA ANALYSIS AND INTERPRETATION

RATIO ANALYSIS

Ratio analysis is a widely used tool of financial analysis. The term ratio in it refers to the relationship expressed in mathematical terms between two individual figures or group of figures connected with each other in some logical manner and are selected from financial statements of the concern. The ratio analysis is based on the fact that a single accounting figure by itself may not communicate any meaningful information but when expressed as a relative to some other figure, it may definitely provide some significant information the relationship between two or more accounting figure/groups is called a financial ratio helps to express the relationship between two accounting figures in such a way that users can draw conclusions about the performance, strengths and weakness of a firm.

RATIO CAN EXPRESS IN TWO WAYS

TIME

When one value is dividend by another the unit used to express the quotient is termed as “times”

PERCENTAGE

If the quotient obtained is multiple by 100 the unit to expression is termed as “percentage”.



STEPS INVOLVED IN RATIO ANALYSIS

- Selection of relevant data from the financial depending upon the objective of the analysis.
- Calculation of appropriate ratio from the above data.
- Comparison the calculated ratio with the ratios of the same firm in the past or the ratios developed from projected financial or the ratios of the industry to which the firm belongs.

IMPORTANCE OF RATIO ANALYSIS

- AID to measure the general efficiency and aid to measure financial solvency.
- AID to fore casting and planning, facilitate decision making.
- AID to corrective action and AID in intra firm comparison.
- Helps in communication and helps in evaluating the efficiency.

LIMITATION OF RATIO ANALYSIS

- Limited use of a single ratio.
- Lack of adequate standard.
- Price level changes

CLASSIFICATION OF RATIOS

A) Liquidity ratios

These ratios portray the capacity of the business unit to meet its short term obligation from its short-term resources (e.g.) current ratio, quick ratio.

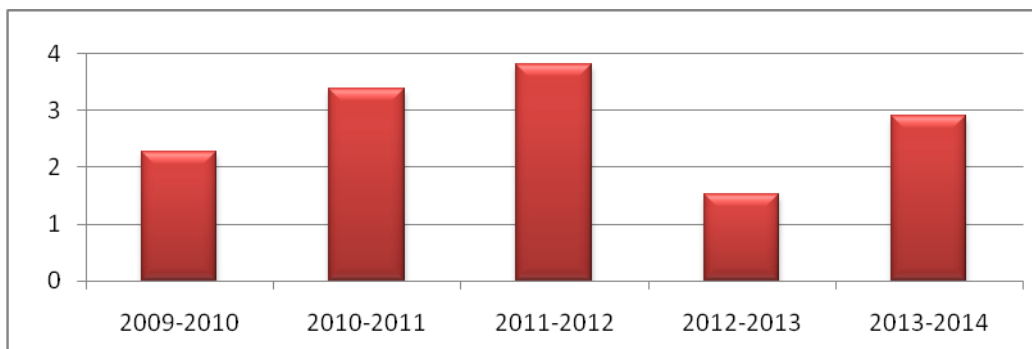
i) Current ratio

Current ratio may be defined as the relationship between current assets and current liabilities it is the most common ratio for measuring liquidity. It is calculated by dividing current assets and current liabilities. Current assets are those, the amount of which can be realized with in a period of one year. Current liabilities are those amounts which are payable with in a period of one year.



$$\text{Current assets} = \frac{\text{Current assets}}{\text{Current liabilities}}$$

Year	Current asset	Current liabilities	Ratio
2009-2010	63,232,294	27,943,268	2.26
2010-2011	96,699,412	28,547,982	3.38
2011-2012	87,908,620	23,128,596	3.80
2012-2013	98,197,393	64,509,752	1.52
2013-2014	56,028,561	19,276,000	2.91



Interpretation and Analysis

The above table and diagram shows that the current ratio in the year 2009-2010 was 2.26 and then it increases to 3.38 in the year 2010-11, further moves upwards to 3.80 and in the year 2011-12 it slashed down to 1.52 and finally in the year 2012-2013 it again moved up to 2.91. The normal current ratio is 2:1. The above table shows current ratio is more than 2:1 in all the first four years. But in 2013-2014 the current ratio is lower than the normal. This shows that the company is enjoying credit worthiness.

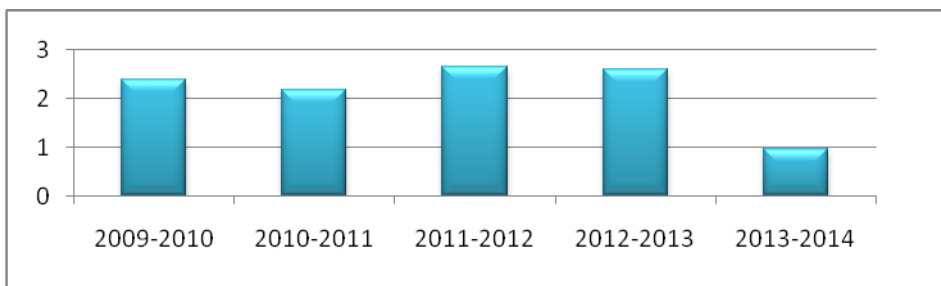


ii) LIQUID RATIO

The term ‘liquidity’ refers to the ability of a firm to pay its short-term obligation as and when they become due. The term quick assets or liquid assets refers current assets which can be converted into cash immediately it comprises all current assets except stock and prepaid expenses it is determined by dividing quick assets by quick liabilities

$$\text{Liquid ratio} = \frac{\text{Liquid assets}}{\text{Liquid liabilities}}$$

Year	Liquid assets	Liquid liabilities	Ratio
2009-2010	47,782,491.51	20,073,088.54	2.38
2010-2011	55,809,100.59	25,805,580.98	2.16
2011-2012	54,831,547.34	20,615,801.31	2.65
2012-2013	76,488,121.13	29,645,904.71	2.58
2013-2014	18,362,128.30	18,784,066.35	0.97



Interpretation and Analysis

The above table and diagram shows the liquid ratio during the study period except in the year 2013-2014 is more than the normal (i.e.) 11. It was 2.38 in the year 2003-04 and reached the highest in 2005-06 to 2.65 and then came down to .97 in the year 2007-08. Hence the firm is controlling its stock position because there linear relationship between current ratio and liquid ratio.

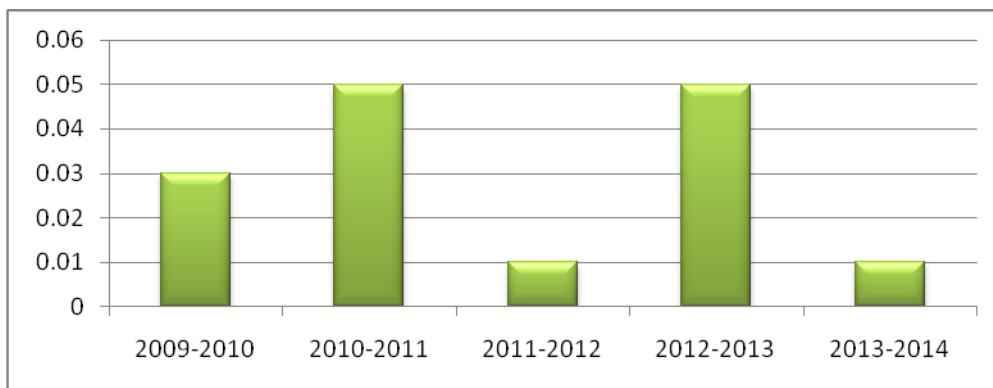


ii) ABSOLUTE LIQUIDITY RATIO

Absolute liquid assets include cash, bank, and marketable securities. This ratio Obtained by dividing cash and bank and marketable securities by current liabilities.

$$\text{Absolute liquidity ratio} = \frac{\text{Cash + bank + marketable securities}}{\text{Current liabilities}}$$

Year	Cash and securities	Current liabilities	Ratio
2009-2010	1,002,474	27,943,268	0.03
2010-2011	1,496,467	28,547,982	0.05
2011-2012	332,231	23,128,596	0.01
2012-2013	3,225,488	64,509,752	0.05
2013-2014	260,094	19,276,000.47	0.01



Interpretation and Analysis

The above table and diagram shows the absolute ratio for the study period 2009-10 to 2013-14. There is fluctuation in the absolute ratio. It was 0.03 in the year 2009-10. In 2010-11 and 2011-12 it was 0.05. It was 0.01 in 2012-13 and 2013



FINDINGS AND SUGGESTIONS FINDINGS

- The current ratio is more than 2% in all the first four years. But in 2012-2013 the current ratio is slightly lower than the normal. This shows that the company is enjoying credit worthiness.
- The liquid ratio during the study period except in the year 2013-14 is more than the normal (i.e.) 11. Hence the firm is controlling its stock position because there is linear relationship between current ratio and liquid ratio.
- There is fluctuation in the absolute ratio for all the years.

SUGGESTIONS

- The company's profit over the years has been decreasing when compared to previous years and even it incurred loss in the last year. The company must increase the profit in future. The company must take steps to increase the profit level.
- The Gross Profit ratio can be improved by increasing the gross profit and the factors decreasing the gross profit ratio should be thoroughly checked timely whither they are operating factors or any misleading factors.

CONCLUSION

On studying the financial performance of ICICI bank for a period of five years from 2009-10 to 2013-14, the study reveals that the financial performance is better. ICICI bank has been able to maintain optimal cost positioning. Despite price drops in various products, the company has been able to maintain and grow its market share to make strong margins in market, contributing to the strong financial position of the company. The company was able to meet its entire requirements for capital expenditures and higher level of working capital commitment with higher volume of operations and from its operating cash flows. The ICICI bank maintaining its profitability ratio, liquid ratio , absolute liquid ratio, During the study period ratio are quite satisfactory the bank can utilize their funds more effectively and its better position in all the areas.



WORKING CAPITAL MANAGEMENT

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INTRODUCTION

Every business needs funds for two purposes for its establishment and to carry out its day-to-day operations. Long-term funds are required to create production facilities through purchase of fixed assets such as plant and machinery, land, building, furniture. Funds are also needed for short-term purpose for the purchase of raw materials, payment of wages and other day-to-day expenses. These funds are known as working capital.

Working capital refers to that part of firms' capital which is required for financing short term or current asset. They are being constantly converted into cash and this cash flow out again in exchange for other current assets. Hence, it is also known as revolving or circulating capital or short-term capital. Working capital is also called revolving, circulating or short term capital. Every business require the funds for its establishment which is called fixed capital and require funds to carry out its day to day operations like purchase of raw material, payment of wages etc. which is called working capital. Thus, working capital is the capital required to finance the short term or current assets such as cash, securities, debtors, stock.

Types of Working Capital

The working capital can be classified on the basis of concept and on the basis of time.

On the Basis of Concept

Generally there are two concepts of working capital. They are gross working capital and net working capital. But they are defined by different names. They are explained below

1) **In broad sense** working capital refers to *gross working capital*. It is also defined as financial concept or going concern concept. It means the capital invested in the current assets of the firm. Current assets mean the assets which can be converted into cash easily or within one accounting period. It helps in determining the return on investment in working capital and providing correct amount of working capital at right time.



2) **In narrow sense** working capital refers to *net working capital*. It is also defined as accounting concept. It means excess of current assets over current liabilities. It helps in finding out firm's capability to meet short term liabilities as well as indicates the financial soundness of the enterprise.

Net working capital = current assets – current liabilities

Net working capital can be +ve or –ve. When current assets are more than the current liabilities than working capital is +ve and when current assets are less than the current liabilities than working capital is –ve.

At the end we can say, that both the working capital are important but according to the suitability gross working capital is suitable for companies having separate ownership or management while net working capital is suitable for sole trader companies or partnership firms.

On the Basis of Time

1) **Permanent working capital** it is also called fixed working capital. It means to carry on the day to day expenses the firm is required to maintain the minimum amount of working capital. For example the firm is required to maintain the minimum level of raw material, finished goods or cash balance etc.

a) **Regular working capital**- it means the minimum amount which the firm has to keep with itself to carry on the day to day operation.

b) **Reserve working capital**- it means the excess amount over the regular working capital for uncertain circumstances like strike, lock out, depression etc.

2) **Temporary working capital** it is also called variable working capital, which is required to meet the seasonal demands as well as for special purposes.

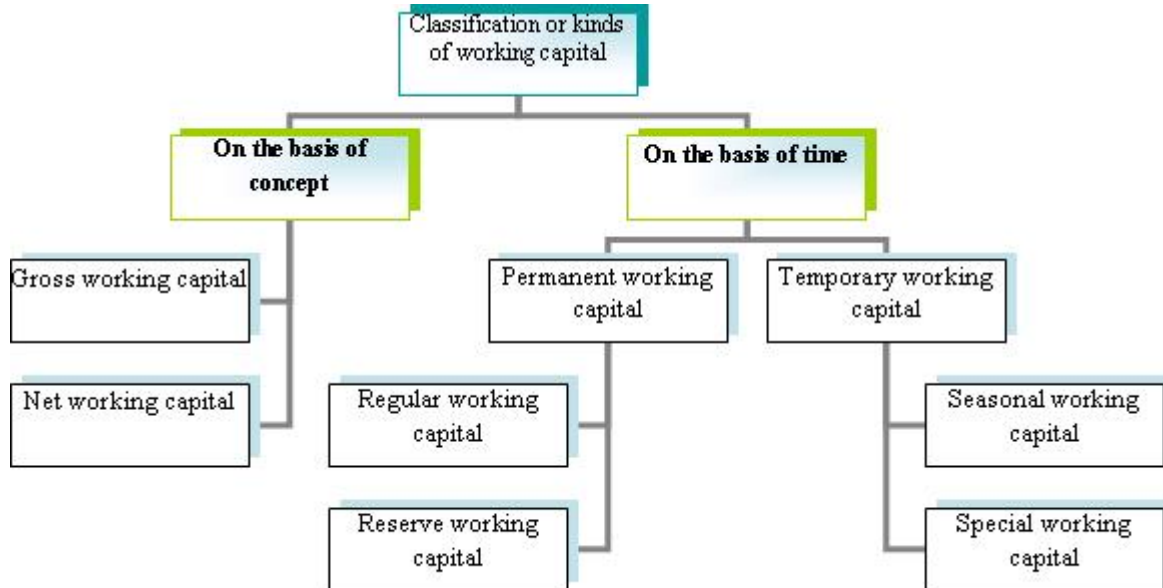
a) **Seasonal working capital**- it is required to meet the seasonal needs of the enterprise.

b) **Special working capital**- it is required for some special purposes of the enterprise. For example advertising the product of the firm requires special working capital.

Temporary working capital is for short period and fluctuates while permanent working capital is stable and fixed.



These are the types or classification of working capital.



WORKING CAPITAL MANAGEMENT

Working capital management involves the relationship between a firm's short-term assets and its short-term liabilities. The goal of working capital management is to ensure that a firm is able to continue its operations and that it has sufficient ability to satisfy both maturing short-term debt and upcoming operational expenses. The management of working capital involves managing inventories, accounts receivable and payable, and cash. The concept of working capital management addresses companies managing of their short-term capital and the goal of the management of working capital is to promote a satisfying liquidity, profitability and shareholders' value. Working capital management is the ability to control effectively and efficiently the current assets and current liabilities in a manner that provides the firm with maximum return on its assets and minimizes payments for its liabilities.

The short-term capital refers to the capital that companies use in their daily operations and it consists of companies' current assets and current liabilities. A well-managed working



capital promotes a company's well-being on the market in terms of liquidity and it also acts in favour for the growth of shareholders.

COMPONENTS OF A WORKING CAPITAL MANAGEMENT

Companies must measure risk, develop, and then implement strategies for maintaining a positive cash flow. This strategy is called a working capital management strategy. The goal of an efficient working capital management strategy is to balance current assets against current liabilities so a company may meet its short-term obligations and maintain operating expenses. Two major components of a working capital management strategy are current assets and current liabilities.

Current Assets

Current assets are items that can be turned into cash quickly. Examples of current assets are cash on hand, short-term investments, inventory and accounts receivable. Accounts receivable must be collected in a timely manner. The sooner you receive money owed, the sooner it can be reinvested to earn a profit. Effective inventory management is also essential. The goal is to have enough inventories to complete orders but not an excess. Excess inventory creates additional costs such as paying for storage space and inventory spoilage.

Current Liabilities

A company normally incurs liabilities during the operating period to meet its operations budget. Examples of current liabilities are inventory purchases, employee wages, taxes and accounts payable. Unearned revenue is also considered a current liability, meaning you've been paid for goods or services but have not yet delivered the product. Generally, current liabilities are expected to be paid during a one-year time period.

OBJECTIVES OF WORKING CAPITAL MANAGEMENT

The primary objective of working capital management is to ensure smooth operating cycle of the business. Secondary objectives are to optimize the level of working capital and minimize the cost of such funds. The superior objective of financial management is wealth maximization and that can be gained by profit maximization accompanied with sustainable growth and development. For sustainable growth and development, the objectives of all the



stakeholders including customers, suppliers, employees, etc should be aligned to the growth of the organization.

In the light of above statement, the objectives of working capital management are described as below

Smooth Working Capital Operating Cycle This implies that the operating cycle i.e. the cycle starting from acquisition of raw material to its conversion to cash should be smooth. It is not easy; it is as good as circulating 5 balls with two hands without dropping a single one. If following 6 points can be managed, this operating cycle can be management well.

1. It means raw material should be present on requirement and it should not be a cause to stoppages of production.
2. All other requirements of production should be in place before time
3. The finished goods should be sold as early as possible once they are produced and inventoried.
4. The accounts receivable should be collected on time.
5. Accounts payable should be paid when due without any delay
6. Cash should be available as and when required along with some cushion

Lowest Working Capital Working capital here refers to the current assets less current liabilities (net working capital). It should be optimized because higher working capital means higher interest cost and lower working capital means risk of disturbance of operating cycle.

Minimize Rate of Interest or Cost of Capital The cost of capital utilized on working capital should be minimized so as to achieve higher profitability. If the investment in working capital involves bank finance, interest rates should be negotiated with bank. Cost can be minimized by utilizing long term funds but in a proper mix. While deciding the mix of working capital, the fundamental principal of financial management should be kept in mind that fixed assets and permanent assets should be financed by long term sources of finance of approximately same maturity and short term or temporary assets should be financed by short term sources of finance.



Optimal Return on Current Asset Investment The return on the investment made in current assets should be more than the weighted average cost of capital so as to ensure wealth maximization of the owners. In other words, the rate of return earned due to investment in current assets should be more than the rate of interest or cost of capital used for financing the current assets.

OPTIMAL LEVEL OF WORKING CAPITAL

The company ought to keep a sound working capital position. It should have sufficient working capital to operate its business activities. Both redundant as well as insufficient working capital positions are hazardous from the company's viewpoint. Redundant working capital means inactive funds which produce no gains for the company. Scarcity of working capital not only impairs the company's productivity but also leads furthermore to manufacturing hindrances and inefficiencies.

ADVANTAGE OF MAINTAINING WORKING CAPITAL AT OPTIMAL LEVEL

Some of the major advantages of keeping working capital at optimal level are as under-

Solvency of the company

Satisfactory working capital helps in keeping solvency of the company by supplying continuous flow of production.

Reputation

Adequate working capital enables a company to disburse timely payments and therefore, helps in creating and keeping reputation.

Unproblematic Loans

A company having sufficient working capital, high solvency and excellent credit position is able to get loans from banks and other sources on friendly and constructive terms.

Cash discounts

Adequate working capital furthermore enables a company to get benefit of cash discounts on the procurements and therefore, it reduces costs.



Uninterrupted delivery of raw material

Adequate working capital assures uninterrupted receipt of raw material for the nonstop production.

Uninterrupted disbursement of salaries wages and other day-to-day obligations

A company which has sufficient working capital will be able to make usual disbursement of salaries, wages and other day-to-day obligations which raise the spirits of its employees, increase their effectiveness, decrease wastages, save costs and increase profits.

Utilization of positive market conditions

Simply a company which has sufficient working capital can utilize positive market situation such as procuring its necessities of material in bulk when the prices are low and by holding its inventory for privileged prices.

Capability to face crisis Sufficient working capital makes a company able to face business crisis in emergencies such as depression for the reason that during such periods, generally, there is much burden on working capital.

Rapid and interrupted return on investment Every saver desires a rapid and interrupted return on his savings. Adequacy of working capital makes a company able to disburse dividends rapidly to its investors as there possibly will not be much force to plough back earnings. This increases the self-confidence of its investors and creates an encouraging market to acquire further funds.

Sky-scraping morale Sufficiency of working capital makes an atmosphere of safety, confidence, high morale and creates effectiveness in a company, on the whole.

REDUNDANT OR INSUFFICIENT WORKING CAPITAL

Every company ought to have sufficient working capital to operate its business activities. It ought to contain neither redundant nor insufficient working capital. Redundant as well as



inadequate working capital positions are awful for any company. However, out of the two, it is the insufficiency of working capital, which is more hazardous from the point of view of the company.

DISADVANTAGES OF REDUNDANT WORKING CAPITAL

Redundant working capital means idle sources which make no earnings for the company and therefore the company cannot make an appropriate profit on its investments.

- When there is an excessive working capital it possibly will lead to the needless procurement and buildup of inventory attracting more probability of burglary, waste and losses.
- Redundant working capital implies too much debtors and faulty credit practices which may create elevated occurrence of bad debts.
- It may lead to incompetency of the company, on the whole.
- Owing to less rate of return on funds the worth of shares may as well decrease.
- The excessive working capital may raise speculative transactions.

DISADVANTAGES OR DANGERS OF INSUFFICIENT WORKING CAPITAL

- A company which has insufficient working capital will not be able to meet its short-term obligations in time. Therefore, it will lose its goodwill and shall not be capable of getting superior credit facilities.
- It cannot procure its necessities in bulk and cannot avail discounts.
- It becomes difficult for the company to take advantage of positive market situation and take on lucrative projects owing to lack of working capital.
- The company will not be able to disburse day-to-day expenditure of its business activities and this may lead to inefficiencies and inflated expenses and finally decrease the earning of the company.
- It becomes infeasible to exploit competently the fixed assets owing to non-availability of liquid sources.



DETERMINANTS OF WORKING CAPITAL

Indian Industries nowadays have worth maximization as the main purpose and to attain it one ought to be competent of anticipating the necessities of working capital correctly. Both unnecessary and insufficient investments in working capital components are dangerous for a company. Therefore, the finance executive has to scrutinize all the factors which decide the working capital necessities within the hypothetical and realistic points of view. The hypothetical considerations from time to time control the tactic of assessment; whilst the company is forced to follow the restrictions forced by the borrowers. The finance executive, therefore, ought to think all the factors that have a bearing on the working capital as well as on the cash, receivables and inventory. There are no laid down regulations or formulae to decide the working capital necessity of a company. A huge number of factors, every one having a diverse significance, affect the working capital requirement of a company. Also, the magnitude of factors varies for a company over time. Therefore, a study of applicable factors ought to be made in turn to settle on total investment in working capital. It is not probable to grade determinants of working capital since all such factors are of various degrees of significance and the power of individual factor may vary for a company over time. The following are vital factors normally affecting the working capital necessities of a company -

- Environment of Business
- Sales and Demand Conditions
- Technology and production policy
- Credit Policy
- Availability of Credit
- Working effectiveness
- Changes in price level

ESTIMATING WORKING CAPITAL REQUIREMENTS

As working capital is treated as livelihood and controlling nerve centre of operational activities of a company, no business lacking a sufficient quantity of working capital can be run effectively. To avoid the scarcity of working capital continuously, an approximation of working capital needs ought to be prepared beforehand so that preparations can be made to



acquire ample working capital. Main befitting technique of estimating the working capital requirements of a business concern is the theory of operating cycle. On the other hand, various other techniques in practice can be applied to decide working capital needs. Under mentioned, are some of techniques which are currently being applied effectively-

- Ratio of sales technique
- Regression analysis technique
- Cash forecasting technique
- Operating cycle technique
- Projected balance sheet technique

WORKING CAPITAL MANAGEMENT STRATEGIES

There are broadly 3 working capital management strategies / approaches to choose the mix of long and short term funds for financing the net working capital of a firm viz. Conservative, Aggressive, Hedging (Or Maturity Matching) approach. These strategies are different because of their different trade-off between risk and profitability. Another remarkable difference is the extent or proportion of application of long and short term fund to finance the working capital.

The terms methods of working capital management, strategies and approaches to working capital management are interchangeably used in general parlance. But, ultimately the concept is important. We need to understand the following relationship in depth for understanding the concept in its true sense.

SHORT TERM vs. LONG TERM FINANCING VIS A VIS RISK AND PROFITABILITY TRADEOFF

Profitability Standpoint

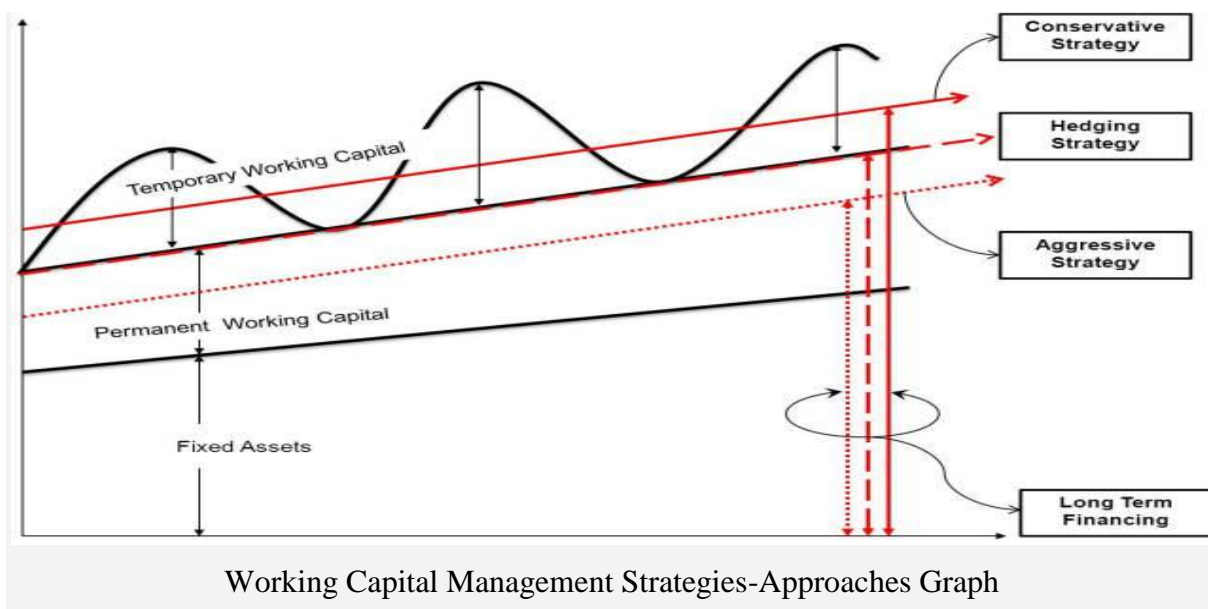
In general, short term interest rates are cheaper to long term interest rates because of the term premium. That means short term has lower interest cost and higher profitability whereas long term has higher interest cost and lower profitability. Especially, when the long term funds are utilized to finance the working capital, unnecessary interest is paid for the periods when the



funds are not utilized. In essence, the short term financing wins the race if profitability is the concern. Let's now look at the risk concern.

Risk Standpoint

There are two risks involved in short term financing viz. Refinancing Risk and Risk of Interest Rate Fluctuations with Refinancing. Refinancing is very uncertain and if the lender denies it for any reason, the options left to the borrower for making payment is either to sell off the assets and pay or file for liquidation if failed to realize the assets. Risk of adverse change in interest rate while refinancing may increase the cost of financing and this risk leads to low profitability. On the contrary, long term financing neither have refinancing risk nor the risk of change of interest rate frequently. Here, the long term financing wins the race. These three working capital approaches are best explained with the help of the following graph and equations. First, we need to understand the graph properly. The red horizontal lines represent the lines of 3 strategies. Simple line is Conservative strategy, below that line with spaces is hedging strategy and below that dotted line is aggressive strategy. These lines indicate the extent of utilization of long term sources. Higher the line, bigger is the investment through long term source of finance.



For equations, we will use the following abbreviations

FA = Fixed Assets

PWC = Permanent Working Capital

TWC = Temporary Working Capital



Hedging (Maturity Matching) Strategy

This is a meticulous strategy of financing the working capital with moderate risk and profitability. In this strategy, each of the assets would be financed by a debt instrument of almost the same maturity. It means if the asset is maturing after 30 days, the payment of the debt which has financed it will also have its due date of payment after almost 30 days. Hedging strategy works on the cardinal principle of financing i.e. utilizing long term sources for financing long term assets i.e. fixed assets and a part of permanent working capital and temporary working capital is financed by short term sources of finance. Here, funds are applied as below and can be clearly seen in the above diagram.

Long Term Funds will Finance >> FA + PWC

Short Term Funds will Finance >> TWC

Conservative Strategy

As the name suggests, it is a conservative strategy of financing the working capital with low risk and low profitability. In this strategy, apart from the fixed assets and permanent current assets, a part of temporary working capital is also financed by long term financing sources. It has the lowest liquidity risk at the cost of higher interest outlay. Here, funds are applied as below and can be clearly seen in the above diagram.

Long Term Funds will Finance >> FA + PWC + Part of TWC

Short Term Funds will Finance >> Remaining Part of TWC

Aggressive Strategy

This strategy is the most aggressive strategy out of all the three. The complete focus of the strategy is in profitability. It is a high risk high profitability strategy. In this strategy, the dearer funds i.e. long term funds are utilized only to finance fixed assets and a part of permanent working capital. Complete temporary working capital and a part of permanent working capital also is financed by the short term funds. It saves the interest cost at the cost of high risk. Here, funds are applied as below and can be clearly seen in the above diagram.

Long Term Funds will Finance >> FA + Part of PWC

Short Term Funds will Finance >> Remaining Part of PWC + TWC



These three strategies are plotted on a number line of risk and profitability. Conservative strategy is on the side of lower profitability and lower risk. On the contrary, aggressive strategy is on the side of higher profitability and higher risk. Hedging strategy is somewhere between the two. Executing the hedging strategy in its true sense is not practically possible. It is dependent on the management attitude towards risk and other factors where on this number line they wish to land.

CONCLUSION

Efficient Working capital management is one of the most important areas while making the liquidity and profitability comparisons among firms, involving the decision of the amount and composition of current assets and the financing of these assets. The greater the relative proportion of liquid assets, the lesser the risk of running out of cash, all other things being equal. All individual components of working capital including cash, marketable securities, account receivables and inventory management play a vital role in the performance of any firm. It also plays an important role of the overall corporate strategy in order to create shareholder value. Working capital is regarded as the result of the time lag between the expenditure for the purchase of raw material and the collection for the sale of the finished goods. The way of managing working capital can have a significant impact on both the liquidity and profitability of the company. The main purpose of any firm is to maximize profit, but maintaining liquidity and profitability of the firm also is an important objective of any firm.



A STUDY ON FOREIGN DIRECT EQUITY INVESTMENT IN TO INDIA – SECTORAL LEVEL

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ABSTRACT

India has started emerging economically especially after early 1990s. After attaining political independence in 1947, Indian economy generally followed an inward looking closed economic policy. The economy was generally an agrarian in nature and much of the Indian population lived in poverty. The economy was under the control of four or five classes such as land lords, politicians, and bureaucrats, industrialist and urban elite classes. Now, Indian economy is the second fastest growing economy in the world after China. Most of the developing nations of the world are mainly depending on foreign countries for transferring financial resources, innovation technology and improved management techniques. Foreign investments gives the Indian industry a chance for technology up gradation, access global managerial skills and practices, optimum utilization of human capital and natural resources, and to compete efficiently in the international market.

Key words: Foreign Direct Equity Investment Inflows, Foreign Direct Investment Inflows, Indian Economy.

INTRODUCTION

Foreign Direct Investment (FDI) plays a very important role in the development of the nation. It is the most prominent and striking feature of today's globalised world is the exponential growth of Foreign Direct Investment in both developed and developing countries. Foreign Direct Investment in India can be traced back with the establishment of East India Company of Britain. British capital came to India during colonial era of Britain in India. Before independence major amount of Foreign Direct Investment came from the British companies.

Further, after Independence issues relating to foreign capital, operations of Multi National Corporations, gained attention of the policy makers. Keeping in mind the national



interests the policy makers designed the Foreign Direct Investment policy which aims Foreign Direct Investment as a medium for acquiring advanced technology and to mobilize foreign exchange resources.

In the last two decades the pace of Foreign Direct Investment flows are rising faster than almost all other indicators of economic activity worldwide. Developing countries, in particular, considered Foreign Direct Investment as the safest type of external finance as it not only supplement domestic savings, foreign reserves but promotes growth even more through spillovers of technology, skills, increased innovative capacity, and domestic competition. Now a day, Foreign Direct Investment has become an instrument of international economic integration. India has long been known for the diversity of its culture, for the inclusiveness of its people and for the convergence of geography. But to effectively utilize all the available resources, every nation requires adequate capital. For a balanced economic development, one of the viable avenues for the capital formation or mobilization could be to rely of Foreign Direct Investment and for this India is no exception.

OBJECTIVE OF THE STUDY

To study the major sectors attracting Foreign Direct Equity Investment into India.

METHODOLOGY

Source of Data

The study is based on secondary data. The required data have been collected from World Investment Report, various Bulletin of Reserve Bank of India.

Period of the Study

The study covers a period of 5 years from 2010 to 2015. The accounting year starts from 1st April to 31st March.

Tools of Analysis

- Compounded Annual Growth Rate
- Percentage Analysis



Sampling Design

The sample products were selected based on the method of convenient sampling. The top five sectors which had participated in the Foreign Direct Equity Investment via automatic route and Foreign Investment Promotion Board (FIPB) route have been taken for the study. The sample industries selected for the study listed below:

- Service Sector
- Construction Development
- Telecommunications
- Computer software & Hardware
- Drugs & Pharmaceuticals

Analysis and Findings

- **Compounded Annual Growth Rate:**

Foreign Direct Equity Investment in Service Sector

Year	Amount	Annual Growth Rate
2010-2011	15,054	-28.17
2011-2012	24,656	63.78
2012-2013	26,306	6.69
2013-2014	13,294	-49.46
2014-2015	19,963	50.16
CAGR	7.31	

Foreign Direct Equity Investment in Construction Development

Year	Amount	Annual Growth Rate
2010-2011	7,590	-43.96
2011-2012	15,236	100.73
2012-2013	7,248	-52.42
2013-2014	7,508	3.58
2014-2015	4,582	-38.97
CAGR	11.85	



Foreign Direct Equity Investment in Telecommunications

Year	Amount	Annual Growth Rate
2010-2011	7,542	-38.87
2011-2012	9,012	19.49
2012-2013	1,654	-81.64
2013-2014	7,987	382.89
2014-2015	17,372	117.50
CAGR	23.19	

Foreign Direct Equity Investment in Computer software & Hardware

Year	Amount	Annual Growth Rate
2010-2011	3,551	-18.36
2011-2012	3,804	7.12
2012-2013	2,656	-30.17
2013-2014	6,896	159.63
2014-2015	13,564	96.69
CAGR	39.80	

Foreign Direct Equity Investment in Drugs & Pharmaceuticals

Year	Amount	Annual Growth Rate
2010-2011	961	-4.47
2011-2012	14,605	1419.77
2012-2013	6,011	-58.84
2013-2014	7,191	19.63
2014-2015	9,211	28.09
CAGR	75.95	



➤ **Percentage Analysis**

Sectors	10-11	11-12	12-13	13-14	14-15
Service Sector	15,054	24,656	26,306	13,294	19,963
	15.45	14.93	21.58	9.01	10.56
Construction Development	7,590	15,236	7,248	7,508	4,582
	7.79	9.22	5.94	5.09	2.42
Telecommunications	7,542	9,012	1,654	7,987	17,372
	7.75	5.46	1.36	5.41	9.19
Computer software & Hardware	3,551	3,804	2,656	6,896	13,564
	3.65	2.30	2.18	4.67	7.17
Drugs & Pharmaceuticals	961	14,605	6,011	7,191	9,211
	0.99	8.84	4.93	4.87	4.87
Total Foreign Direct Equity Investment	97,320	1,65,146	1,21,907	1,47,518	1,89,107

The sectoral analysis determines that Service Sector is the fastest growing sector with its Compounded Annual Growth Rate at 7.31 per cent. service sector (financial and non-financial), has been the hotspot for past years (2010-2015), by still managing to be the hot sector for FDI, in spite of the recent downfall in the percentage 21% to 10%. The reason behind is the rupee depreciation occurred in India, which created doubt in the minds of foreign investors and resulted in pulling back of investment. European crisis and US crisis were the major reason for the lower investment in service sector in India.

The Indian construction industry is an integral part of the economy and is poised for solid growth due to industrialization, urbanization and economic development together with people's expectations of improved living standards. The construction sector employs approximately 31 million people, accounts for some 6-8% of GDP and, after agriculture, is the largest employment sector in the country. And today it is expected that growth rates for the construction industry sectors exceed overall GDP growth over the next 2 years, underlying a continued strong demand of this sector. Construction sectors which saw 4% growth, increased from 7% to 11%. The second fastest growing sector in India is the construction development and the Compounded Annual Growth Rate is 11.85.



Foreign Direct Equity Investment in Telecom sector which faced rough times due to cancellation of telecom services last year in 2G spectrum case and government's harsh policies on investors such as retrospective tax laws affected percentage share decrease by 7 to 1 % from 2010-11 to 2012-2013. The Compounded Annual Growth of the sector is 23.19. Although, these sectors witnessed some decrease in their percentage share, they have maintained their importance in the Indian economy. Today India is technology advanced nation and people are techno-savvy. This can be seen in consumer as well as industrial market and products and latest technologies have given a boom in India. And the growth of Software and Hardware Industries in India has led to the development, expansion, and growth of allied industries. Looking at the benefits with this sector more and more FDI's are increasing in this sector. Further the increased FDI inflows to Software and Hardware Industries in India have led to the development, expansion, and growth of the industries. All this has helped in improving sectoral growth of FDI in this sector from 3% - 7%. The Compounded Annual Growth of the sector is 39.80.

FDI inflows in Chemicals industry in India has increased over the last few years from 1% to 4% due to the several incentives that have been provided by the government of India. The increased FDI Inflows to Chemicals industry in India has helped in the growth and development of the sector. 100% FDI is allowed in chemicals under the automatic route in India. The Compounded Annual Growth of the sector is 75.95.

CONCLUSION

Foreign Direct Investment is considered as the safest type of external finance both by the developed and developing nations. So, there is growing competition among the countries in receiving maximum inward in Foreign Direct Investment. The sources of Foreign Direct Investment inflows are also increased currently to 135 countries in 2012 which during the earlier years were with 15 countries in 1991. The government is looking to increase the foreign direct investment (FDI) caps in several sectors. Among sectors, Service sector tops the Foreign Direct Equity Investment inflows in India from 2010-2015. India's service sector has maintained its importance in the Indian economy. Today in India, major construction projects are expected to be at the hike by, the continued growth of the economy, foreign direct investment and an influx of international businesses and corporations. The increasing presence of international firms in the financial services sector is also driving forward the real



estate market in India. And overall the service sector and Construction development are major pillars of Indian economy and will maintain their charm for FDI investors.

The developing countries has make their presence felt in the economics of developed nations by receiving a descent amount of Foreign Direct Investment. Although India is not the most preferred destination of global Foreign Direct Investment, but there has been a generous flow of Foreign Direct Investment in India since 1991. It has become second fastest growing economy of the world.

From the analysis, it is clear that Foreign Direct Investment plays a crucial role in those sectors in enhancing the economic growth and development of the country. Moreover, Foreign Direct Investment as a strategic component of investment is needed by India for achieving the objectives of its second generation of economic reforms and maintain this pace of growth and development of the economy.

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CHINA ECONOMIC CRISIS AND GOVERNMENT POLICIES TO TACKLE THAT

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ABSTRACT

China's stock market has experienced amazing growth since establishing its two exchanges in 1990, although the growth has been uneven and irregular, and the market remains in the early stages of its development. This report seeks to identify the financial crisis of China's market and how they combine to form the most dynamic and intriguing developing market in the world. The current structure of China's market is one of its key obstacles to further development. There are very few stocks that would fit the definition of "blue-chip" trading on China's mainland exchanges. Whereas most developed markets are dominated by a limited number of large-cap stocks, China's market is cramped by a multitude of small-cap stocks. This feature allows for increased speculation and higher turnover for both investors and indexes, among other problems. A related matter is the reliance of China's market on external expansion, that is, expansion through the issuance of new shares rather than the appreciation in value of existing stocks. Since these shares generally do not experience sustained growth, often because of market manipulation, they contribute to the dominance of smaller size stocks in China's market. Ultimately, the current structure is a major obstacle to the creation of viable index-related products in China. Another issue is the fact that, despite the tremendous growth of the stock market, China's companies are not operating at a high level of profitability. They are plagued by poor earnings and low dividend yields. China's companies need to increase their profitability if they are to compete in global markets.

HISTORY OF CHINESE MARKET

China's stock market has experienced tremendous growth and development in the ten years since the inceptions of the Shanghai Stock Exchange (December 19, 1990) and the Shenzhen Stock Exchange (December 1, 1990). The number of listed companies reached 1,160



at the end of 2001 — up from only 10 companies in the early 1990s — with a total market capitalization of 525.6 billion USD. In addition, more than 65 million investment accounts are on record as of the end of 2001.

However, two sets of phenomena have been identified in media reports. One is the rapid growth of the stock market: almost 1,200 listed companies, swelling numbers of stock investors and the generally upward trend of the local stock indexes all indicate that the basic shape of a large country's stock market has formed. The other set of phenomena also deserves the same attention: an incomplete corporate-governance structure, inadequate regulatory capacity, intrinsic structural defects of the market, ferocious market manipulators and all kinds of traps. In other words, China's market is still in the early stages of development. Building a solid foundation and appropriate structure is pivotal to the consistent long-term growth of China's financial market.

People have been trying to understand this paradox, but have failed to figure out precisely the growth and decline of these two components. This has made it difficult to unravel the mystery of China's stock market.

CURRENT SCENARIO IN THE CHINESE MARKET

Prior to June of this year, the China A market had experienced exceptionally strong price returns, fueled by expanding margin accounts and leverage. Market buoyancy led to an explosion in IPOs, with over 100 for the Shanghai exchange in 2015 alone.

The sell-off started in late June, and as of July 9, the Shanghai composite was 29% off its 2015 peak. The Shenzhen exchange, with a higher proportion of smaller cap and tech names, was down 36 percent from its peak. Interestingly, the run-up during the early part of the year was so strong that both composites still showed positive YTD returns as of 9 July at +9.8 percent and +38.2 percent, respectively.

The Hong Kong market, where most global investors have their exposure, has also suffered. The Hang Seng Index⁴ has retreated 15 percent from its peak in late April, leaving its YTD return at +3.3 percent.

Government seems to have too much influence on the Chinese market. It keeps a tight control on the issuance of IPOs, and, as a result of widespread government holdings, many listed



companies in China have very low free-float ratios. Meanwhile, due at least in part to the unusual market structure, market manipulation and speculation are common. The solution is simply a matter of strengthening controls in certain areas while relaxing them in others in order to foster an environment in which China's stock market can continue to thrive.

China's GDP growth stood at 7.4 percent in 2014, averting a hard landing. The growth rate experienced a slowdown from 2013, mainly because of slower fixed asset investment growth and a challenging environment in the manufacturing sector. However, the speed of economic restructuring and upgrading increased. President Xi Jinping described this economic pattern as the 'new normal'.

The monthly growth rate of accumulated fixed asset investment year-on-year went through a continued decline in 2014, except for a 0.1 percentage point increase in June. This decline was mainly attributed to cooling real estate investment, which accounted for 18.9 percent of the total fixed asset investment in 2014. The downward pressure was partly offset by investment in infrastructure and agriculture, both of which had annual growth rates above 20 percent in 2014.

Investment from the private sector grew by 18.1 percent in 2014, 2.4 percentage points higher than the overall fixed asset investment growth rate. This brought its share of total fixed asset investment up from 63 percent in 2013 to 64.1 percent in 2014, indicating that the private sector is becoming more active than the state-owned sector.

1. The manufacturing sector was still weak, with China's official Purchasing Managers Index (PMI) experiencing a continued decline since August, while industrial value-added growth also fell to 8.3 percent in 2014, 1.4 percentage points lower than in 2013. Although the production of traditional manufacturing such as the steel, cement and automobile sectors grew more slowly, some high-value manufacturing sectors remained active, such as the electronic equipment sector.

2. However, consumption of goods did not perform as strongly: retail sales of consumer goods grew more slowly than in 2013. Inflation, as measured by the Consumer Price Index (CPI), which reflects the composite price of consumer goods and services, was held in check in 2014: at the end of 2014, CPI was 2.0 percent, well below the 2013 levels and well under the government's target of 3.5 percent, suggesting that the growth in service consumption



was unable to offset the decline in the growth rate of consumer goods consumption. The Producer Price Index (PPI) has remained below zero since March 2012, which reflects the continued sluggish demand for manufactured products.

3. In 2014 third quarter the service sector has become increasingly important as a driver of the economy. It accounted for 48.2 percent of China's economic output in 2014, up by 1.3 percentage points compared with 2013, leading the manufacturing sector by 5.6 percentage points

4. Although exports experienced significant growth in the third quarter of 2014, the yearly growth rate only reached 6.1 percent, 1.8 percentage points lower than in 2013. This was mainly due to seasonal factors and false index effects³ on the growth rate in the first quarter of 2014. As the global market continues to recover and negative effects caused by the false index are eliminated, higher export growth should be expected in 2015, which will likely drive up China's economic performance.

5. In contrast to the fast-growth environment of past years, China is now pursuing a more sustainable growth pattern, and the country's economic structure, economic growth drivers and industry development have all been subject to considerable change. In 2014, China's economy displayed the effects of this transition in a number of ways:

6. The former pillar industry, traditional manufacturing, currently faces overcapacity and environmental issues. The elimination of outdated production capacity and reduced demand for manufactured products (e.g. steel and cement) caused by lower growth in fixed asset investment, put pressure on the manufacturing sector as a whole.

7. High-value manufacturing, which was previously on a small scale and mainly dependent on imports, performed noticeably better, mainly due to the government's promotion of the sector. The development of this segment also strengthened China's upstream industry chain and encouraged Chinese companies to improve their technology. In addition, the service sector continued to maintain a relatively high growth rate compared with the manufacturing sector.

8. The real estate sector has been in a cyclical period of decline, with the yearly growth rate of floor space sold at 7.6 percentage points below that in 2013. However, there were no dramatic real estate market crashes and the real estate prices remained fairly high,



with prices relative to income levels being higher than in some developed countries such as the US and UK,⁴ mainly because of the government's stimulus policies.

9. Reforms were launched in many areas, including for state-owned enterprises (SOEs), tax, the financial system and the administrative approval system. These reforms are helping improve the business environment and providing expanded opportunities for companies to develop and grow.

10. China's economic restructuring is creating more development potential for private capital, especially small and medium enterprises

11. (SMEs). Private enterprises are accelerating into traditional monopoly industries such as the banking sector.

12. The local government debt burden was exacerbated by increased government-funded infrastructure investment and tax deductions for the service sector and SMEs. The economic slowdown also increased the risk of default in the shadow banking system. To mitigate these risks, the central government launched a local government bond pilot program and implemented stronger operational regulations for the shadow banking sector.

China's Stock Market Collapse and Government's Response

The Chinese government responded to the stock collapse with heavy interference, ordering brokerages to buy and forbidding shareholders to sell—a dramatic reversal following President Xi Jinping's pledge at the 2013 Third Plenum that the market will play a “decisive” role in all aspects of the economy.* Even as the government threw For more on President Xi's economic reform priorities and pledges (the Third Plenum reforms), see Nargiza Salidjanova and Iacob Koch-Weser, “Third Plenum Economic Reform Proposals: A Scorecard,” out new policies to intervene in the market and arrest collapse, shares continued to tumble. It was not until July 9, that Chinese shares saw gains, with Shanghai rising 5.8 percent, and Shenzhen 3.8 percent.³ Despite the fall, the two exchanges are up 74 percent and 84 percent year-on-year.

Although there are early signs of a recovery, the rise, volatility, and collapse of Chinese stocks points to several important conclusions for U.S. policymakers: The increasingly desperate actions by the Chinese government bring into question President Xi's commitment



to allow increased market pricing in the economy. If the past few weeks are any indication, the government will continue prioritizing growth over free capital markets. In addition, the inability of the government to quickly stop the roused President Xi's image as a leader in absolute control of all aspects of economy and society, though it is unlikely to lead to major political change.

Policies pursued by the government in search of new sources of growth (beyond the traditional emphasis on fixed asset investment) are at least partly to blame for the creation of the bubble. Investment in the stock market was viewed as a way to generate capital for SOEs, to boost funding for private companies, and to provide households with means of realizing returns. Official media outlets, including People's Daily, ran laudatory editorials describing the stock market growth as a sign of economic strength. At the same time, regulators were reluctant or unable to step in because of interagency infighting and the political pressure to allow stock growth. This strengthens doubts about the government's willingness to enforce regulations and market discipline if that means slower growth.

The isolation of Chinese stock markets, where foreign investors own only about 1.5 percent of Chinese shares, means global markets will remain relatively unaffected. The effect on China's domestic consumption will likewise be contained, since stocks account for less than 15 percent of household financial assets. Nevertheless, this market rout is a major source of domestic concern in China. Chinese stocks remain overvalued and the economic fundamentals remain weak.

Although real impact on the global economy is limited, the crash sent a signal that Chinese economic slowdown and instability are becoming entrenched, undermining the confidence of foreign investors. On June 9, MSCI, a provider of global equity indexes, announced that Shanghai and Shenzhen will not be included in its Emerging Markets Index. Although MSCI couched its decision in positive terms, it pointed to three areas where Chinese stock markets need substantial improvements: allocation of investment quotas for foreign investors, restrictions on capital mobility, and ambiguous ownership rules for foreign shareholders using the Shanghai-Hong Kong Stock Connect. The Chinese stock market bubble—though not mentioned directly in the MSCI announcement—was a major source of concern for foreign investors.



Impact on U.S. markets has been limited, and concentrated primarily on Chinese companies listed on the U.S. exchanges. When the China Securities Regulatory Commission (CSRC) suspended all new initial public offerings to reduce volatility, it left stranded U.S.-listed Chinese tech companies, which as early as March started delisting in the United States to re-list in China and take advantage of the surging stock markets there. Chinese U.S.-listed companies, which did not de-list, were affected in a different way: Their shares lost value on U.S. exchanges, as investors were spooked by the Chinese market collapse.

WHAT DID THE GOVERNMENT DO TO PROP UP STOCK MARKETS?

According to research firm Gavekal Dragonomics, the financial sector contributed 1.4 percentage points to China's gross domestic product (GDP) in the first quarter of 2015—in other words, without the surging stock market, the economy would not have reached Beijing's goal of 7 percent GDP growth.¹⁵ This explains the series of measures announced by Beijing to stimulate growth and prop up the stock market. These include:

On June 24, the State Council released a draft proposal to relax the maximum loan-to-deposit ratio, currently at 75 percent. If it becomes law, the new proposal could be another step in the liberalization of China's domestic financial system. However, it is not clear if this change will achieve its immediate goal—an expansion of credit—given weak demand from borrowers. On June 27, the People's Bank of China (PBOC) stepped in to stop a sell-off in Chinese stock markets, cutting benchmark interest and deposit rates by 25 basis points each (to 4.85 percent and 2 percent, respectively) and the reserve requirement ratio (RRR) for some banks by 50 basis points. In a statement, PBOC said the measures were aimed at reducing borrowing costs and “stabilizing growth,” but did not provide implementation details.

This is the fourth time the PBOC has cut lending and deposit interest rates since November 2014; it is also the first time since October 2008 the central bank cut both interest rates and the RRR. On June 29, the Ministry of Human Resources and Social Security and the Ministry of Finance published draft regulations allowing pension funds managed by local governments to invest in stocks, funds, private equities, and other stock-related products. The proportion of investment in stocks will be capped at 30 percent of the pension



fund's net value. The funds have combined assets worth more than \$322 billion (RMB 2 trillion), of which up to \$97 billion could flow into the stock market.

On July 1, the CSRC allowed investors to use homes and other real assets as collateral to borrow money to purchase stocks.

On July 4, 21 brokerages set up a fund worth about \$19 billion (RMB 120 billion) to buy shares. The same day, CSRC suspended all new initial public offerings to reduce volatility.

On July 5, the CSRC said the PBOC will “uphold market stability” by providing funds (about \$42 billion, or RMB 260 billion) to a state agency, the China Securities Finance, to lend money to brokerage firms for purchases of shares. The PBOC also announced that the China Securities Finance will receive liquidity to “hold the line” against systemic risks—in essence using PBOC money to directly buy shares—a radical departure from its traditional role as a lender to brokerages.

On July 8, CSRC banned shareholders with stakes above 5 percent from selling shares for six months. The Ministry of Finance is considering lowering the stamp duty on share purchases to stimulate higher investment. The amount of stamp duties collected by Beijing reached \$5 billion (RMB 31.2 billion) in May 2015, 11 times the amount last year.

The government also reached for propaganda tools, appealing to patriotism to encourage stock purchases and sending policy to the CSRC to investigate “malicious short selling.” Listed state-owned enterprises (SOEs) were ordered not to sell shares and to buy their own stocks, with 2 committing do to so.

At the same time, companies started voluntarily suspending trading of their shares to prevent further loss of value. By July 9, 1,476 stocks, or more than 50 percent of all companies listed on Shanghai and Shenzhen stock exchanges, stopped trading. Companies listed on ChiNext, a board for tech startups on the Shenzhen stock exchange, took a disproportionate hit: As of July 10, only 205 of 484 stocks were trading, with the rest suspended. Since most companies listed on ChiNext are small and private, the suspension of so many stocks bodes ill for their ability to raise money. It is not clear when the government will start rolling back these emergency measures.



CONCLUSION

As a young emerging market, China has its own unique characteristics. Pyramid structure is the major obstacle curbing healthy market growth and standing in the way of developing tradable index-based products such as derivatives. Therefore, adjustment of the current market structure is crucial in reforming the market. The elimination of these structural deficiencies will help curb manipulation and speculation, shore up market confidence and alleviate regulatory difficulties and pressures, thus promoting the sound and continuous development of the stock market. What China's stock market needs most at present is achieving long-term stable development, rather than just getting out of the current plight. Given this, China should make it a priority to foster and introduce as soon as possible a batch of industry leaders with real profitability, solidify the market foundation and optimize the market structure. Not surprisingly, China has a long way to go to commercialize its financial markets. Increased government supervision, increased profitability of its companies and the development of a normal market structure are three necessary short- and mid-term goals that must be achieved by China's stock market if it is to grow and operate successfully at the global level.