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Papers

GHANSHYAM BINANI ACADEMY OF MANAGEMENT SCIENCES

Editorial

We are delighted to bring out once again an issue of "GBAMS Vidushi" with diversified papers drawn from the leading researchers and eminent academicians.

This issue consists of research papers from various perspective functional area of management such as marketing, web advertising, agripreneurship leadership.

Starting the present issue with the paper which discusses market opportunities for FMCG and the preference of consumers for the small packs, followed by influence of personality traits of web users on web advertising. The next paper points out how the agricultural products are sold in the market by small agripreneurs. Beside these papers this issue includes paper on leadership style of school head masters and its influence on subordinate teachers. Another paper discusses the issues in global market place and one paper on managerial success through effective leadership. We also carry papers discussing on growth of Indian telecom industry and on Brand ambassadors role in telecom sector.

We are very much thankful to the contributors for this issue of "GBAMS Vidushi" and all the members for their support. We wish happy reading to all our readers. We welcome the feedback from the readers that help us add value to the journal in future.

Shivangi

(Shivangi Shivam)
Editor

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CONSUMER PERCEPTION TOWARDS SMALL PACKS AN EMPIRICAL ANALYSIS OF FAST MOVING CONSUMER GOODS (FMCGs) IN KRISHNA DISTRICT, ANDHRA PRADESH

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The present article aims to provide an insight into the consumer perception on small packs of FMCGs, and the FMCG sector in general. The specific objective of the study is to analyze the perception of consumers towards small packs of FMCGs among the people in Krishna District of Andhra Pradesh. The study also dwelve into certain other aspects like the benefits of small packs of FMCGs

INTRODUCTION:

Consumers' needs and wants are fulfilled through a 'market offering' – some contribution of products, services, information, or experiences offered to a market to satisfy a need or want. Consumers usually face a broad array of products and services that might satisfy a given need. Satisfied customers buy again and tell others about their good experiences. Dissatisfied customers often switch to competitors and disparage the product to others. A market is the set of actual and potential buyers of a product. Marketers must be careful to set the right level of expectations. Marketing management shall design a customer-driven marketing strategy. Consumers make many buying decisions everyday. Marketers can study actual consumer purchases to find out what they buy, where, and how much. Marketing stimuli consist of the four Ps: Product, Price, Place and Promotion.

Packaging involves designing and producing the container for a product. The primary function of packaging is to hold and protect the product. In recent times, packaging has become an important marketing tool. Companies are realizing the power of packaging to create instant consumer recognition of the company or brand. In recent years, product safety has also become a major packaging concern. In making packaging decisions, the company also must heed growing environmental concerns.

The consumption pattern and the behaviour of the consumer have been changing gradually. Since the last two decades we have seen many changes occurring in the attitude, perception, motivation, spending habits, purchase and post purchase behaviour of the consumer. In the new millennium, the consumer behaviour has changed much. The consumer of the 1980s has less discretionary income with liberating in 1985 to globalization taking place since 1991 a whole lot of goods flooded the Indian market. New innovative marketing practices, branding the products, suited the Indian style. The Indian consumer is very price conscious and to suit the consumer changes in the product ranges, packs, prices, and promotion were made.

Today's consumer can access abundant information through the Internet. Marketers are all out to differentiate their products through service, packaging, brand, etc. The marketers have adopted a new strategy and they have realized the fact adjust themselves to the customer and not the customer to them. This is the age of modern marketing. Although it is important for the firm to understand the buyer and accordingly evolve its marketing strategy, the buyer or consumer continues to be an enigma. Further, today's consumer is being influenced by media, which has witnessed an explosion in the last decade.
The present article aims to provide an insight into the consumer perception on small packs of FMCGs, and the FMCG sector in general. The specific objective of the study is to analyze the

perception of consumers towards small packs of FMCGs among the people in Krishna District of Andhra Pradesh. The study also dwelve into certain other aspects like the benefits of small packs of FMCGs.

In view of the objectives of the study, the product categories are adapted from Mc Kinsey's survey on consumers' preference towards small packs. The four types of products captioned in Mc Kinsey's survey viz., Goliaths, Aspirants, Stouts and Dwarfs are considered for analysis. In order to have an effective empirical analysis of the information and data obtained through the execution of a questionnaire, the testing of hypothesis is done through the statistical technique 'Chi-Square' test.

FMCGs – MEANING:

Products, which have a quick turnover, and relatively low cost, are known as Fast Moving Consumer Goods (FMCG). FMCG products are those that get replaced within a year. Examples of FMCG generally include a wide range of frequently purchased consumer products such as toiletries, soaps, cosmetics, tooth cleaning products, shaving products and detergents, as well as other non-durables such as glassware, bulbs, batteries, paper products, and plastic goods. FMCG may also include pharmaceuticals, consumer electronics, packaged food products, soft drinks, tissue paper, and chocolate bars.

INDUSTRY CATEGORY AND TYPES OF FMCGs :

Household Care

Personal Wash: The market size of personal wash is estimated to be around Rs. 8,300 Cr. The personal wash can be segregated into three segments: Premium, Economy and Popular. The penetration level of soaps is 92 per cent. It is available in 5 million retail stores, out of which, 75 per cent are in the rural areas. HUL is the leader with market share of 53 per cent; Godrej occupies second position with market share of 10 per cent. With increase in disposable incomes, growth in rural demand is expected to increase because consumers are moving up towards premium products. However, in the recent past there has not been much change in the volume of premium soaps in proportion to economy soaps, because increase in prices has led some consumers to look for cheaper substitutes.

Detergents: The size of the detergent market is estimated to be Rs. 12,000 Cr. Household care segment is characterized by high degree of competition and high level of penetration. With rapid urbanization, emergence of small pack size and sachets, the demand for the household care products is flourishing. The demand for detergents has been growing but the regional and small-unorganized players account for a major share of the total volume of the detergent market. In washing powder HUL is the leader with 38 per cent of market share. Other major players are Nirma, Henkel and Proctor & Gamble.

Personal Care

Skin Care: The total skin care market is estimated to be around Rs. 3,400 Cr. The skin care market is at a primary stage in India. The penetration level of this segment in India is around 20 per cent. With changing life styles, increase in disposable incomes, greater product choice and availability, people are becoming aware about personal grooming. The major players in this segment are Hindustan Unilever with a market share of 54 per cent, followed by CavinKare with a market share of 12 per cent and Godrej with a market share of 3 per cent.

Hair Care: The hair care market in India is estimated at around Rs. 3,800 Cr. The hair care market can be segmented into hair oils, shampoos, hair colorants & conditioners, and hair gels. Marico is the leader in Hair Oil segment with market share of 33 per cent; Dabur occupies second position at 17 per cent.

Shampoos: The Indian shampoo market is estimated to be around Rs. 2,700 Cr. It has the penetration level of only 13 per cent in India. Sachet makes up to 40 per cent of the total shampoo sale. It has low penetration level even in metros. Again the market is dominated by HUL with around 47 per cent market share; P&G occupies second position with market share of around 23 per cent. Antidandruff segment constitutes around 15 per cent of the total shampoo market. The market is further expected to increase due to increased marketing by players and availability of shampoos in affordable sachets.

Oral Care: The oral care market can be segmented into toothpaste, 60 per cent; toothpowder, 23 per cent; toothbrushes 17 per cent. The total toothpaste market is estimated to be around Rs. 3,500 Cr. The penetration level of toothpowder/toothpaste in urban areas is three times that of rural areas. This segment is dominated by Colgate-Palmolive with market share of 49 per cent, while HUL occupies second position with market share of 30 per cent. In toothpowders market, Colgate and Dabur are the major players. The oral-care market, especially toothpastes, remains under penetrated in India with penetration level of 50 per cent.

Food & Beverages

Food Segment : The foods category in FMCG is gaining popularity with a swing of launches by HUL, ITC, Godrej, and others. This category has 18 major brands aggregating Rs. 4,600 Cr. Nestle and Amul slug it out in the powders segment. The food category has also seen innovations like softies in ice creams, ready to eat rice by HUL and pizzas by both GCMMF and Godrej Pillsbury.

Tea: Unorganized players dominate the major share of tea market. Unorganized players capture more than 50 per cent of the market share. Leading branded tea players are HUL and Tata Tea.

Coffee: The Indian beverage industry faces over supply in segments like coffee and tea. However, more than 50 per cent of the market share is in unpacked or loose form. The major players in this segment are Nestlé, HUL and Tata Tea.

MARKET OPPORTUNITIES FOR FMCGs:

Vast Rural Market

Rural India accounts for more than 700 Million consumers, or 70 per cent of the Indian population and accounts for 50 per cent of the total FMCG market. The working rural population is approximately 400 Millions. An average citizen in rural India has less then half of the purchasing power as compare to his urban counterpart. Still there is an untapped market and most of the FMCG Companies are taking different steps to capture rural market share. The market for FMCG products in rural India is estimated 52 per cent and is projected to touch 60 per cent within a year. Hindustan Unilever Ltd is the largest player in the industry and has the widest market coverage.

Large Market

India has a population of more than 1.150 Billions, which is just behind China. According to the estimates, by 2030 India population will be around 1.450 Billion and will surpass China to become the World largest in terms of population. FMCG Industry, which is directly related to the population, is expected to maintain a robust growth rate.

Export - "Leveraging the Cost Advantage"

Cheap labor and quality product & services have helped India to represent as a cost ad-vantage over other Countries. Even the Government has offered zero import duty on capital goods and raw material for 100% export oriented units. Multi National Companies out-source its product requirements from its Indian company to have a cost advantage. India is the largest producer of livestock, milk, sugarcane, coconut, spices and cashew apart from being the second largest producer of rice, wheat, fruits & vegetables. It adds a cost advantage as well as easily available raw materials.

SPENDING PATTERN:

An increase is spending pattern has been witnessed in Indian FMCG market. There is an upward trend in urban as well as rural market and also an increase in spending in organized retail sector. An increase in disposable income, of household mainly because of increase in nuclear family where both the husband and wife are earning, has leads to growth rate in FMCG goods.

Findings according to a recent survey by A.C. Nielsen shows about 71 per cent of Indians take notice of packaged goods' labels containing nutritional information compared to only 59 per cent, two years back.

ADVANTAGES TO THE SECTOR:

The consumers' preference towards small packs in FMCGs might be because of the following specific benefits:

Small is economical : Things have changed. With marketers trying to reach out to new consumers through affordable "trial" packs, Sachets and small packs are often sold at hefty discounts to mid- and large-sized packs. A 7 ml "trial" pack of Ayush shampoo, priced at Rs.2. would cost you 28 paise per ml. But if you choose the 100-ml pack, you would effectively shell out about 49 paise per ml, 70 per cent more! A 10-gram "trial" pack of Fair & Lovely ayurvedic cream retails for Rs.10, at an effective cost of Rs.1.11 per gram. But if you choose the 25-gram pack (MRP-Rs.35) your effective cost is Rs.1.40 per gram- 26 per cent more than what you pay for the trial pack. This is true of the sachets and small packs for many other shampoo, cosmetic and detergent brands in the market. Many FMCG marketers and retailers actually allow you to exploit the economies of small packs, by bundling together 10-12 sachets and selling them as one unit. Use these to lower your outgo. But do not presume that low-unit packs are always cheaper. They could be more expensive for select brands and products such as chocolates or instant coffee.

Mobility is one of the biggest considerations while designing anything today. If you're making an MP3 player, you have to size your consumer up and see where it fits and when he is most likely to use it. So do keep in mind his bicep size cause that's the size your player needs to match up to. And do remember to provide accessories such as an arm band or a hanger for belt so that he can wear it while he's on a metro or in the gym. Mobility has now pervaded into almost everything as we are more and more on the move and we need to carry as much of our lives with us as possible.

Lesser space for more things: Our lives get more and more complex as we are spoilt for choice. So much so, we need more support to keep up with the stress also! With this and our incessant greed for more, we need things which don't take much or if possible no place in our home. So we need LCD TVs, which can just be a part of the wall, and refrigerators that vanish inside the kitchen cabinet. Perhaps, we need to keep the shelf available at home also to make anything we want to fit into our homes. And why not try and marry as many functions as possible to make it the Swiss knife of its category?

In view of the specific benefits stated so far small packs have been attractive. However, small packs cause the following problems to the consumers. Small may be beautiful, but not always. Fast moving consumer goods companies (FMCG), which depend heavily on the bottom of the pyramid market, are in trouble as far as their small pack sales are concerned. And this is despite the fact that no price increases took place in this segment, even though FMCG companies raised prices roughly 17 per cent for soaps and 24 per cent for detergents.

Choice Dilemma: This is another interesting phenomenon that has emerged in the modern age. As we get more choices, we get more confused and unhappy. To save us from this guilt, consumers tend to buy small because bigger the choice bigger the risk. This may not be true for all categories but for low to medium value items like food and beverages.

Thus very clearly our journey from macro to micro is now headed towards the Nano. This made us realise that even the food we eat has not remained untouched by this phenomenon. The 'small theory' is something no marketer can afford to ignore now.

According to the latest Nielsen data for the 11-month period from March 2010 to February 2011, soap and detergent sales at price points of Rs 10 and below have actually declined. This should be a cause for worry for most FMCG companies, since a quarter of soap sales and 60 per cent of detergent sales come from this segment.

Although overall detergent sales volume dipped 3.6 per cent, the bottom of the pyramid category fell at a sharper rate of 5 per cent. In the case of soaps, overall sales went up a marginal 2 per cent, but dropped 8.5 per cent for the small pack category (as depicted in table1).

Sales of detergents in small packs declined 10 percent in urban areas but rural areas saw a 2 per cent dip. The story was the same for soaps: Urban areas saw an 11 per cent decline, rural areas a smaller fall of 7 per cent. The period also saw rural sales overtaking urban sales and accounting for close to 53 per cent of the overall FMCG market. Experts attribute this to the combined effect of good monsoons, the farm debt waiver and the fact that the financial meltdown hasn't yet trickled down to the villages.

Table-1 reveals the position in this regard. Key strategic of FMCG in India

Market size / volume	Soaps	Detergents (washing powder, liquids, detergent cakes/bars)
Total market size as of Feb 2009	Rs 7822 cr	Rs 10188 cr
*Overall volumes	2% growth	3.6% dip
Small packs as a percentage of overall market	25%	60%
Volume growth/dip for small packs	8.5% dip	5% dip
Urban: Volume growth/dip for small packs	10.85% dip	9.55% dip
Rural: Volume growth/dip for small packs	7.12% dip	1.63% dip

(*Percentage calculated for the 11 month period of March 2010 to Feb 2011 over the corresponding period in the previous year. Source: Nielsen)

One of the reasons for the dip in small pack sales was the reduction in grammage. Owing to rising input costs last year, FMCG companies such as Hindustan Unilever, Marico and Godrej Consumer Products have been reducing grammage at price-sensitive market points without raising prices. Faced with dwindling sales, companies are trying to pull out all stops to address the problems in the small pack segment. The Nielsen company said it had become a tough task for marketers today to juggle the value-volume quotient of their products. "Over the years, this has resulted in an average increase in the value of washing powders and detergent bars, resulting in the overall decline in the average volume of these categories.

The 'health food drinks' brands, the average pack size sold was getting smaller. It seemed that small packs are primarily there to induce trial. Sony, one of the largest media conglomerates with around $80 billion in annual revenues revealed that sales of mini hi-fi audio systems, a staple consumer electronic item at one time, were on a sharp decline. During January to April 2011, sales of mini hi-fi systems slumped by almost 20 per cent. Suddenly, it seems the consumer is losing his fancy for these products and is shifting to things that give a complete cinematic experience. While LCD TVs were seeing a huge growth, there was a lack of enough choice when it came to good home theatre systems; so it wasn't really keeping pace with the same. It looked like given a choice consumers would choose a smaller compact version.

URBAN/RURAL CONTRIBUTION OF SMALL PACKS:
The urban and rural contribution of small packs of various categories of products in terms of sales in India can be seen from the following Tables.

Table 2: Urban Contribution of Small Packs (% of Sales)

Categories	1998	2001	2007	2010
Toothpowder	35.7	42.9	57	61%
Talcum Powder	13	18.1	28	32.5%
Hair Oils	9.8	11.5	15	17.3%
Coffee	8.3	13.3	23.3	30%
All Biscuits	1.4	4.4	10	14%
Coconut Oil	4	7.9	16	22.2%
Toothpaste	0.9	2.7	6.2	8.5%
Mosquito Rep.	1.3	4.1	9.7	13%

(Source: KEIC and IBEF publication on FMCGs)

Table 3: Rural Contribution of Small Packs (% of Sales)

Categories	1998	2001	2007	2010
Toothpowder	49.8	65.8	95	101%
Talcum Powder	22.3	31.6	49	61.6%
Hair Oils	16.4	18.3	22.1	26.3%
Coffee	19.6	37.8	73	102%
All Biscuits	1.5	5.2	12.6	16.6%
Coconut Oil	6.4	13.1	26.5	34.2%
Toothpaste	0.8	3.4	8.5	13.4%
Mosquito Rep.	2.8	4.7	9	14.3%

DATA ANALYSIS AND INTERPRETATION:
In order to make an effective empirical analysis based on the real information and data for achieving the specific objective of the current paper viz., Consumer Perception towards small packs of FMCGs, a questionnaire is designed and executed among 110 selected respondents representing different categories. Out of the 110 respondents, 94 are taken into consideration for analysis. The remaining is ignored as the respondents fail to provide the information and data, suitable to the concept.

The information contained in the response sheets is tabulated and thoroughly evaluated for testing the Hypothesis. In this connection the statistical tool, 'Chi-Square Test' is used. The outcome of the Chi-Square tests leading to results is presented in the following sections.

Ho: Lesser the Income levels more the preference towards the small packs.
This Hypothesis has been tested with all the four categories of the FMCGs and on the 13 selected products of the study. The acceptance or rejection of the Hypothesis based on Chi-Square values is presented in the following tables (Table 2 – Table 9). The calculated Chi-Square values are compared with the tabular values at 4 degrees of freedom and with 5% level of significance:

Table-4: Distribution of respondents among different pack

Pack Size/Income Levels (Rs)	Below 75,000	75,001-2,00,000	Above 2,00,000	Total
Small	90	33	6	129
Medium	57	28	13	98
Large	30	20	5	55
Total	177	81	24	282

Table-5:Chi-Square Values for the 'Goliath' Products:

Product	Chi-Square value	Tabular value	Result (Hypothesis
Shampoos	3.516182	9.488	Accepted
Hair Oils	3.103634	9.488	Accepted
Biscuits	9.416273	9.488	Accepted
Total Goliath Products	**8.375058**	**9.488**	**Accepted**

Interpretation:
From the Tables 4 & 5, it can be inferred that income plays a major role for preference towards a particular pack sizes for Goliath products. From Table 4, it is clear that less income groups prefer the small pack sizes for all the selected products in the Goliath category like shampoos, hair oils, biscuits, etc., and there exists a direct relationship between the income and pack sizes, i.e. lesser the income more will be the preference towards small packs.

Table-6:Distribution of respondents among different pack sizes and income groups for 'Aspirants':

Pack size/income levels (Rs)	Below 75,000	75,001-2,00,000	Above 2,00,000	Total
Small Pack	59	26	7	92
Medium Pack	42	27	8	77
Large Pack	5	4	0	9
Total	106	57	15	178

Table-7:Chi-Square Values for the Aspirants' Products:

Product	Chi-square value	Tabular value	Result
Baby Oils	0.391251	9.488	Accepted
Diapers	8.835661	9.488	Accepted
Breakfast Cereals	4.476132	9.488	Accepted
Hair Colours	4.262063	9.488	Accepted
Total Aspirants Products	**2.918354**	**9.488**	**Accepted**

Interpretation:

From the Tables 6 & 7, it can be concluded that income plays a major role for preference towards a particular pack sizes for Aspirant products. From Table 7, it is clear that less income groups prefer the small pack sizes for all the selected products in the Aspirant category like baby oils, diapers, breakfast cereals, hair colours, etc., and there exists a direct relationship between the income and pack sizes, i.e. lesser the income more will be the preference towards small packs.

Table-8: Distribution of Respondents among Different Pack Sizes and Income Groups for 'Stouts':

Pack Size/Income Levels (Rs)	Below 75,000	75,001-2,00,000	Above 2,00,000	Total
Small	65	22	3	90
Medium	111	49	19	179
Large	47	35	10	92
Total	223	106	32	361

Table-9:Chi-Square Values for the 'Stout' Products:

Product	Chi-Square Value	Tabular Value	Result
Soaps	4.077554	9.488	Accepted
Toothpaste	4.500851	9.488	Accepted
Tea	5.113739	9.488	Accepted
Coffee	5.03569	9.488	Accepted
Total Stout Products	**10.77855**	**9.488**	**Rejected**

Interpretation:

From the Tables 8 & 9, it can be inferred that income plays a major role for preference towards a particular pack sizes for soaps, toothpaste, tea and coffee. But the overall stout category doesn't agree with the null hypothesis. Even though the selected stout products agree with the null hypothesis, proving that less income groups prefer the small pack, the overall category is proving that there would be no direct relationship between the income and pack sizes.

Table-10: Distribution of Respondents among Different Pack Sizes and Income Groups for 'Dwarfs':

Pack Size/Income Levels (Rs)	Below 75,000	75,001 - 2,00,000	Above 2,00,000	Total
Small	77	37	9	123
Medium	15	8	5	28
Large	4	5	1	10
Total	96	50	15	161

Table-11: Chi-Square Values for the 'Dwarfs' Products:

Product	Chi -Square Value	Tabular Value	Result (Hypothesis Acc epted/Rejected)
Chewing Gums	2.759095	9.488	Accepted
Perfumes	3.642302	9.488	Accepted
Total Dwarfs Products	**3.265817**	**9.488**	**Accepted**

Interpretation :

From the Tables 10 & 11, it can be concluded that income plays a major role for preference towards a particular pack sizes for Dwarfs products. From Table 11, it is clear that less income groups prefer the small pack sizes for all the selected products in the Dwarfs category like chewing gums, perfumes, etc., and there exists a direct relationship between the income and pack sizes, i.e. lesser the income more will be the preference towards small packs.

From Tables 4 to 11, it can be stated that null hypothesis was accepted for Goliaths, Aspirants and Dwarfs category of FMCGs, inferring that most of the small income group people prefer small size packs. But the overall Aspirant category rejects the null hypothesis stating that there is no proof that small income group people will prefer small size packs. The people irrespective of income levels may prefer the small packs. But for some individual products of Aspirant category accepted the null hypothesis, which may not be taken into consideration in lieu of result of overall category.

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Ho: Preference towards small pack depends on the place of stay of respondents

This Hypothesis was tested with all the four categories of the FMCGs and on the 13 selected products of the study. The acceptance or rejection of the Hypothesis based on Chi-Square values is presented in the following tables (Table 12 – Table 19). The calculated Chi-Square values are compared with the tabular values at 4 degrees of freedom and with 5% level of significance:

Table-12: Distribution of Respondents among Different Pack Sizes and Place of Stay for 'Goliaths':

Pack Size/Place of Stay	Rural	Urban	Semi-Urban	Total
Small	72	36	21	129
Medium	48	28	22	98
Large	27	20	8	55
Total	147	84	51	282

Table-13:Chi-Square Values for the 'Goliath' Products:

Product	Chi-Square Value	Tabular Value	Result
Shampoos	3.931568	9.488	Accepted
Hair Oils	3.123474	9.488	Accepted
Biscuits	0.784235	9.488	Accepted
Total Goliath Products	**3.265817**	**9.488**	**Accepted**

Interpretation:

From the Tables 12 & 13, it can be inferred that place of stay of the respondents play a major role for preference towards a particular pack size for Goliath products. From the above tables, it is clear that rural consumers prefer the small pack sizes for all the selected products in the Goliath category like shampoos, hair oils, biscuits, etc.

Table-14:Distribution of Respondents among Different Pack Sizes and Place of Stay for 'Aspirants':

Pack Size/Place of Stay	Rural	Urban	Semi -Urban	Total
Small Packs	43	29	20	92
Medium Packs	33	28	16	77
Large Packs	7	2	0	9
Total	83	59	36	178

Table-15:Chi-Square Values for the 'Aspirants' Products:

Product	Chi-Square Value	Tabular Value	Result (Hypothesis Accepted/Rejected)
Baby Oils	2.976136	9.488	Accepted
Diapers	1.712755	9.488	Accepted
Breakfast Cereals	3.083062	9.488	Accepted
Hair Colours	2.045784	9.488	Accepted
Total Aspirants Products	**4.681866**	**9.488**	**Accepted**

Interpretation:

From the Tables 14 & 15, it can be inferred that place of stay of the respondents play a major role for preference towards a particular pack size for Aspirant products. From the above tables, it is clear that rural consumers prefer the small pack sizes for all the selected products in the Aspirant category like baby oils, diapers, breakfast cereals, hair colours, etc.,

Table-16: Distribution of Respondents among Different Pack Sizes and Place of Stay for 'Stouts':

Pack Size/Place of Stay	Rural	Urban	Semi-Urban	Total
Small Packs	38	29	23	90
Medium Packs	102	50	27	179
Large Packs	43	32	17	92
Total	183	111	67	361

Table-17:Chi-Square Values for the 'Stout' Products:

Product	Chi-Square Value	Tabular Value	Result
Soaps	0.833071	9.488	Accepted
Toothpaste	6.008283	9.488	Accepted
Tea	5.484177	9.488	Accepted
Coffee	1.500332	9.488	Accepted
Total Stout Products	**7.505693**	**9.488**	**Accepted**

Interpretation:

From the Tables 16 & 17, it can be inferred that place of stay of the respondents play a major role for preference towards a particular pack size for Stout products. From the above tables, it is clear that rural consumers prefer the small pack sizes for all the selected products in the Stout category like soaps, toothpaste, tea, coffee, etc.,

Table-18: Distribution of Respondents among Different Pack Sizes and Place of Stay for 'Dwarfs':

Pack Size/Place of Stay	Rural	Urban	Semi-Urban	Total
Small Packs	46	27	16	89
Medium Packs	10	3	3	16
Large Packs	25	21	12	58
Total	81	51	31	163

Table-19:Chi-Square Values for the 'Dwarfs' Products:

Product	Chi-Square Value	Tabular Value	Result (Hypothesis Accepted/ Rejected)
Chewing Gums	3.166407	9.488	Accepted
Perfumes	5.023725	9.488	Accepted
Total Dwarfs Products	**2.520616**	**9.488**	**Accepted**

Interpretation:

From the Tables 18 & 19, it can be inferred that place of stay of the respondents play a major role for preference towards a particular pack size for Dwarfs products. From the above tables, it is clear that rural consumers prefer the small pack sizes for all the selected products in the Dwarfs category like chewing gums, perfumes, etc.,

Ho: More the spending on the groceries lesser the preference towards small packs

This Hypothesis was tested with all the four categories of the FMCGs and on the 13 selected products of the study. The acceptance or rejection of the Hypothesis based on Chi-Square values is presented in the following tables (Table 20 – Table 27). The calculated Chi-Square values are compared with the tabular values at 4 degrees of freedom and with 5% level of significance:

Table-20: Distribution of Respondents among Different Pack Sizes and Spending on Groceries for 'Goliaths':

Pack Size/Spending on Groceries (Rs)	Less than 1000	1001-2000	Above 2000	Total
Small Packs	18	49	62	129
Medium Packs	7	35	56	98
Large Packs	2	12	41	55
Total	27	96	159	282

Table-21:Chi-Square Values for the 'Goliath' Products:

Product	Chi-Square Value	Tabular Value	Result (Hypothesis Accepted/Rejected)
Shampoos	6.179992	9.488	Accepted
Hair Oils	7.436703	9.488	Accepted
Biscuits	6.321902	9.488	Accepted
Total Goliath Products	**13.10997**	**9.488**	**Rejected**

Interpretation:

The above Tables 20 & 21, indicate that the Goliath category rejects the null hypothesis, whereas the selected products in the category accepts the null hypothesis inferring that higher the spending on the groceries lesser will be the preference towards small size packs. But the entire category proves that there is no rule that the high spending on the groceries will increase the sales for large size packs.

Table-22: Distribution of Respondents among Different Pack Sizes and Spending on Groceries for 'Aspirants':

Pack Size/Spending on Groceries	Less than 1000	1001-2000	Above 2000	Total
Small Packs	9	29	54	92
Medium Packs	6	21	50	77
Large Packs	0	3	6	9
Total	15	53	110	178

Table-23:Chi-Square Values for the 'Aspirants' Products:

Product	Chi-Square Value	Tabular Value	Result (Hypothesis Accepted/Rejected)
Baby Oils	0.582955	9.488	Accepted
Diapers	2.533613	9.488	Accepted
Breakfast Cereals	1.491782	9.488	Accepted
Hair Colours	4.526923	9.488	Accepted
Total Aspirants Products	**1.59077**	**9.488**	**Accepted**

Interpretation:

From the Tables 22 & 23, it can be inferred that more the spending on the groceries, lesser will be the preference towards Aspirant products like baby oils, diapers, breakfast cereals, hair colours, etc., It shows that spending on the groceries and preference towards small size packs are inversely proportional.

Table-24: Distribution of Respondents among Different Pack Sizes and Spending on Groceries for 'Stouts':

Pack Size/Spending on Groceries	Less than 1000	1001-2000	Above 2000	Total
Small Packs	12	32	46	90
Medium Packs	196	65	95	179
Large Packs	1	24	67	92
Total	32	121	208	361

Table-25:Chi-Square Values for the 'Stout' Products:

Product	Chi-Square Value	Tabular Value	Result
Soaps	7.55998	9.488	Accepted
Toothpaste	9.8862	9.488	Accepted
Tea	4.076064	9.488	Accepted
Coffee	7.595776	9.488	Accepted
Total Stout Products	**15.96473**	**9.488**	**Rejected**

Interpretation:

The above Tables 24 & 25, indicate that the Stout category rejects the null hypothesis, whereas the selected products in the category accepts the null hypothesis inferring that higher the spending on the groceries lesser will be the preference towards small size packs. But the entire category proves that there is no rule that the high spending on the groceries will increase the sales for large size packs.

Table-26: Distribution of Respondents among Different Pack Sizes and Spending on Groceries for 'Dwarfs':

Pack Size/Spending on Groceries (Rs)	Less than 1000	1001-2000	Above 2000	Total
Small Packs	7	37	45	89
Medium Packs	0	4	12	16
Large Packs	0	18	40	58
Total	7	59	97	163

Table-27:Chi-Square Values for the 'Dwarfs' Products:

Product	Chi-Square Value	Tabular Value	Result
Chewing Gums	3.965184	9.488	Accepted
Perfumes	21.41748	9.488	Rejected
Total Dwarfs Products	**10.22613**	**9.488**	**Rejected**

Interpretation:

The above Tables 26 & 27, indicate that the Dwarfs category rejects the null hypothesis, whereas the selected products in the category accepts the null hypothesis inferring that higher the spending on the groceries lesser will be the preference towards small size packs. But the entire category proves that there is no rule that the high spending on the groceries will increase the sales for large size packs.

HO: More the frequency of the purchase of groceries more the preference towards small packs

This Hypothesis was tested with all the four categories of the FMCGs and on the 13 selected products of the study. The acceptance or rejection of the Hypothesis based on Chi-Square values is presented in the following tables (Table 27 – Table 34). The calculated Chi-Square values are compared with the tabular values at 4 degrees of freedom and with 5% level of significance:

Table-28: Distribution of Respondents among Different Pack Sizes and Frequency of Purchase of Groceries for 'Goliaths':

Pack Size/Frequency of Purchase	1 Time	2-4 Times	More than 4 Times	Total
Small Packs	43	43	43	129
Medium Packs	35	32	31	98
Large Packs	33	9	13	55
Total	111	84	87	282

Table-29:Chi-Square Values for the 'Goliath' Products:

Product	Chi-Square Value	Tabular Value	Result
Shampoos	10.91847	9.488	Rejected
Hair Oils	2.917444	9.488	Accepted
Biscuits	12.72531	9.488	Rejected
Total Goliath Products	**12.8208**	**9.488**	**Rejected**

Interpretation:

It can view from the Tables 28 & 29, that the null hypothesis doesn't stand acceptable for Goliath products, only Hair oil, in the selected products of the study accepts the null hypothesis. So, it can be concluded that the preference towards small size pack doesn't relate with frequency of purchase of groceries. Consumers may prefer small size packs even with the less frequency of purchase.

Table-30: Distribution of Respondents among Different Pack Sizes and Frequency of Purchase of Groceries for 'Aspirants':

Pack Size/Frequency of Purchase	1 Time	2-4 Times	More than 4 Times	Total
Small Packs	27	28	37	92
Medium Packs	34	24	19	77
Large Packs	4	2	3	9
Total	65	54	59	178

Table31:Chi-Square Values for the 'Aspirants' Products:

Product	Chi-Square Value	Tabular Value	Result
Baby Oils	1.93686	9.488	Accepted
Diapers	4.22449	9.488	Accepted
Breakfast Cereals	3.837882	9.488	Accepted
Hair Colours	4.565359	9.488	Accepted
Total Aspirants Products	**5.94823**	**9.488**	**Accepted**

Interpretation:

Tables 30 & 31 provide that null hypothesis was accepted by the Aspirant products, concluding that the Aspirant products like baby oils, diapers, breakfast cereals, hair oils, etc., are preferred in small packs if the frequency of purchase of groceries increases.

Table-32: Distribution of Respondents among Different Pack Sizes and Frequency of Purchase of Groceries for 'Stouts':

Pack Size/Frequency of Purchase	1 Time	2-4 Times	More than 4 Times	Total
Small Packs	30	26	34	90
Medium Packs	70	50	59	179
Large Packs	44	33	15	92
Total	144	109	108	361

Table-33:Chi-Square Values for the 'Stout' Products:

Product	Chi-Square Value	Tabular Value	Result
Soaps	4.092263	9.488	Accepted
Toothpaste	18.28239	9.488	Rejected
Tea	7.498759	9.488	Accepted
Coffee	4.488116	9.488	Accepted
Total Stout Products	**11.89719**	**9.488**	**Rejected**

Interpretation:

It can be viewed from the Tables 32 & 33, that the null hypothesis doesn't stand acceptable for Stout category. Soaps, tea and coffee in the selected products of the study accept the null hypothesis. But the overall category rejects the null hypothesis. So, it can be concluded that the preference towards small size pack doesn't relate with frequency of purchase of groceries. Consumers may prefer small size packs even with the less frequency of purchase.

Table-34: Distribution of Respondents among Different Pack Sizes and Frequency of Purchase of Groceries for 'Dwarfs':

Pack Size/Frequency of Purchase	1 Time	2-4 Times	More than 4 Times	Total
Small Packs	32	27	30	89
Medium Packs	8	1	7	16
Large Packs	26	19	13	58
Total	66	47	50	163

Table-35:Chi-Square Values for the 'Dwarfs' Products:

Product	Chi-Square Value	Tabular Value	Result (Hypothesis Accepted/ Rejected)
Chewing Gums	3.841769	9.488	Accepted
Perfumes	7.664886	9.488	Rejected
Total Dwarfs Products	**6.737649**	**9.488**	**Accepted**

Interpretation:

Tables 34 & 35 provide the Dwarfs products accepted that null hypothesis. But for perfumes the null hypothesis doesn't holds well. So, it can be concluded that the Dwarfs products like are preferred in small packs if the frequency of purchase of groceries increases.

Table-36:Summary of Chi-Square Results

Category of Products	Calculated Value	Tabular Value	Result (Hypothesis Accepted/Rejected)
Ho: Lesser the income levels more the preference towards the small packs			
Goliaths	8.375058	9.488	Accepted
Aspirants	2.98354	9.488	Accepted
Stouts	10.778855	9.488	Rejected
Dwarfs	2.921909	9.488	Accepted
Ho: Preference towards small packs depends on the place of stay of respondents			
Goliaths	3.265817	9.488	Accepted
Aspirants	4.681866	9.488	Accepted
Stouts	7.505693	9.488	Accepted
Dwarfs	2.520616	9.488	Accepted
Ho: More the spending on the groceries lesser the preference towards small packs			
Goliaths	13.10997	9.488	Rejected
Aspirants	1.59077	9.488	Accepted
Stouts	15.96473	9.488	Rejected
Dwarfs	10.22613	9.488	Rejected
Ho: More the frequency of the purchase of groceries more the preference towards small packs			
Goliaths	12.8208	9.488	Rejected
Aspirants	5.948263	9.488	Accepted
Stouts	11.89719	9.488	Rejected
Dwarfs	6.737649	9.488	Accepted

Interpretation:

From the summary of Chi-Square Values, it can be concluded that the preference towards small size packs will depend mostly on income levels, place of stay of consumers. But the preference for small packs may not relate with the factors like spending on groceries. A little correlation may exist between the frequency of the purchase of groceries and the preference towards small size packs. Therefore, it may be concluded that the low-income groups will prefer small packs, by the consumers staying in rural areas and with the more frequency of purchase of groceries.

Table-37: Factors Influencing Preference towards Various Pack Sizes

Factors	Goliaths	Aspirants	Stouts	Dwarfs
Economical	48	13	39	14
Induce Trail Purchase	4	22	7	17
Premium/Prestige	3	8	11	17
Affordability	9	11	7	11
Convenience	30	34	30	27
Others	0	6	0	8
Total	94	94	94	94

Interpretation:

From the above Table-37 and Chart-1, it can be inferred that majority of the respondents are preferring small size packs for Goliath and Stouts products for the reason of economy, as it will be economical to buy shampoos, hair oils, biscuits, soaps, toothpaste, tea, coffee in small packs compared with the bulk pack sizes. But for Dwarfs products, this factor doesn't hold good as the chewing gums, perfumes may be purchased mainly on its quality rather than on the pack sizes. Next to 'economy', 'convenience' plays a major role in selection of a particular pack size, which range from 29 percent to 36 percent of response. This may be due to the convenience, the respondents may feel in buying small pack sizes, for example, shampoos in sachets provide long last usage rather than in tins. Consumers, who prefer bulk pack sizes, are with premium or prestige factor with 3 to 18 percent of response. Buying in bulk will make them to fell prestige.

CONCLUSION:

Based on the analysis for achieving the specific objective of their study, the following specific observations can be made relating to the four categories: Goliaths, Aspirants, Stouts and Dwarfs.

Goliaths:

Goliaths belong to the high growth segment of the FMCG sector. Products like shampoos, biscuits and hair colours have a high contribution to the sector. All the respondents in the present study are using the selected Goliath products. From the study it was observed that majority of the respondents prefer small size packs in this category followed by mid size pack. The preference towards small size pack of Goliaths is having a direct relation with disposable income of the respondents, respondents' place of stay, while there is no relation with the monthly spending on groceries and frequency of purchase of groceries. The smaller pack sizes are effective in boosting consumption in both rural as well as urban areas in particular with low-income groups.

Aspirants:

This is the second category in the high growth segment of FMCGs, along with Goliaths. But the products in this category, like, baby oils, diapers, breakfast cereals, hair colours doesn't contribute much to the overall sector, in comparison with Goliaths. In the aspirant category, it was seen that almost 45 per cent of all sales came from the larger pack sizes, with small packs contributing just over 20 per cent. In the present study only 64% of the respondents are using Aspirant products. Aspirant's small size packs are having a direct relation with disposable income of the respondents, place of stay of respondents, monthly spending on groceries and frequency of purchase of groceries. It accepts all the four hypothesis of the study.

Stouts:

It is one of the low growth segments of FMCG sector along with Dwarfs, but contributing highly to the sector in comparison with Dwarfs. It includes products like Soaps, Toothpaste, Tea, Coffee, etc. In the present study it is observed that among the four hypotheses tested, it accepts with the second one, and rejects all the remaining. So, it can be interpreted that the preference towards small size packs in this category relates with the place of stay of respondents. Majority of the rural people prefer small size packs in Stouts category, where as small size pack's preference is not linked with the disposable income of the respondents, monthly spending on groceries and the frequency of purchase of groceries. It is due to the nature of products in Stouts category. Majority of the respondents prefer mid and large size packs in this category.

Dwarfs:

The Dwarfs, which includes products like chewing gums, perfumes and weaning foods, don't contribute significantly to the FMCG sector. In the smaller categories like dwarfs, which include chewing gum and perfumes, it's difficult to determine a specific pack size, largely because of the nature of the products that make up the category. This category accepts three hypotheses except the third one. It rejects the hypothesis stating that more the spending on the groceries lesser the tendency towards small size packs. Therefore, from the study it can be inferred that preference towards small size packs in Dwarf category is linked with low income, rural respondents. Also, it is preferred when the frequency of purchase of groceries is high and amount spend on groceries is low.

Thus present empirical analysis of FMCGs towards consumer perception of small packs reveals certain interesting facts both from the manufacturers as well as consumers points of view. From the consumers' point of view the perception is: small is convenient; small is affordable; small saves the space; small is less expensive; small restricts the consumption and small provides for experiment. Whereas from manufacturers as well as suppliers point of view, small is attractive; small reaches diverse customer segments; small is for penetration and growth.

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STUDY OF WEB USERS' BELIEF, ATTITUDES AND BEHAVIOR TOWARDS WEB ADVERTISING

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The present study purposes a model of web advertising based on the traditional advertising hierarchy model. The study focuses to investigate attitude towards web advertising among Indian consumers and the relationship between attitude towards web advertising and Indian internet user's web advertising behavior

INTRODUCTION

The popularity of interactive media such as the World Wide Web (or Web) has been growing at a very rapid pace. Web advertising's broad format consists of commercial content paid for by sponsors, designed for audiences, delivered by video, print, audio, graphics or animations. It may be solicited or unsolicited. Its form includes e-mail messages, corporate logos, pop-up messaging, official websites, text or graphic hyperlinks, mentions in other sites, micro-sties, contests and banner ads (Ducoffe, 1996; Briggs and Hollis 1997; Schlosser et al 1999; Singh and Dalal 1999). Its interactive nature lies in its ability to control information (Bezjian-Avery et al 1998) and no reflect back on itself, feed on itself and respond to the past (Newhagen and Rafaeli, 1996). In recent years, India Internet use has grown rapidly. As per India is concerned the internet usages has increased from 1 lac 40 thousands i.e. 0.1% of total population to 81 lacs in 2001 i.e. 6.9% of total population (Internet World Stats, 2008). With its rapid diffusion, web advertisement has received a great deal of attention in both business and academic arenas. A hot of studies (e.g. Ducoffe 1996, Russell, Staflarione and Fox 1994) have examined the mechanism of online advertising and suggested that individual's attitude towards web advertising serve as important indicators for web advertising effectiveness. However, the foci of most studies have been on the US or other developed countries. Little is known about web advertising in the emerging markets such as India.

The present study purposes a model of web advertising based on the traditional advertising hierarchy model. The study focuses to investigate attitude towards web advertising among Indian consumers and the relationship between attitude towards web advertising and Indian internet user's web advertising behavior. Therefore, in this study, belief about advertising is viewed as a different construct from attitude towards web advertising. Following traditional media theorizing, consumer choice to view any form of web advertising is dependent upon his or her beliefs and attributes towards the ad (Singh and Dalal 1999). The beliefs may be formed on the basis of explicit or implicit message information (Singh and Dalal, 1999) and the attributes may be influenced by affective experiences such as entertainment and irritation, along with cognitive experiences such as informativeness (Ducoffe, 1996) and behavioural experiences (Schlosser et al 1999). Consequently, understanding consumers' beliefs about the attitudes towards Web advertising is essential if Web advertisers desire to succeed in this new medium.

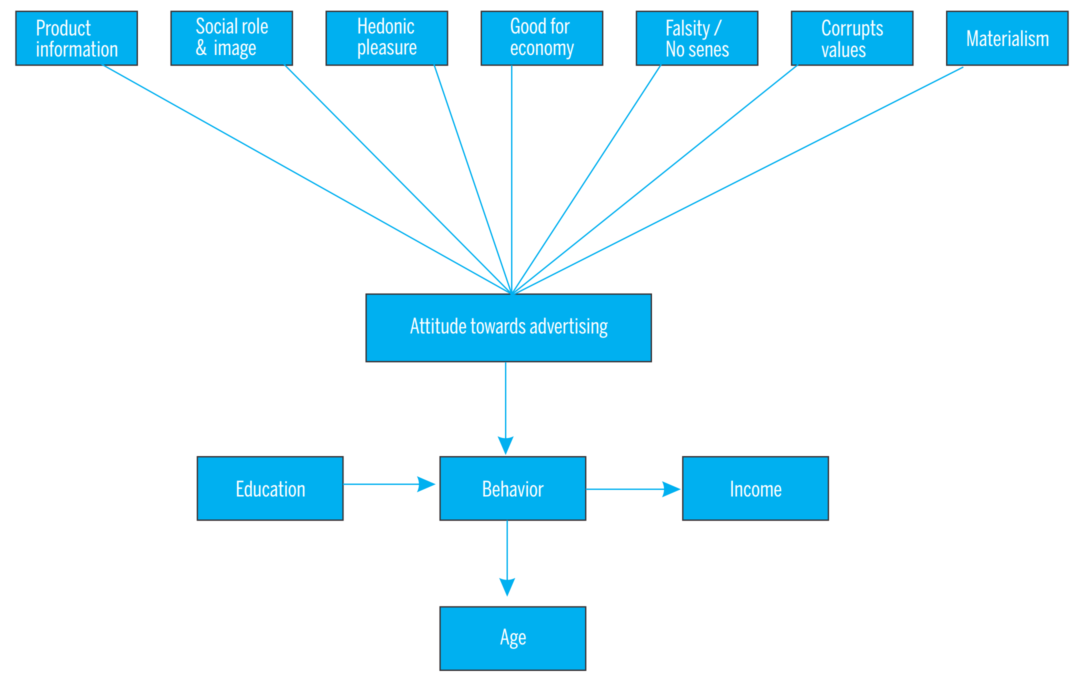
LITERATURE REVIEW

During the last decade a number of studies have focused on web advertising. Consumers' beliefs and attitudes toward advertising are important indicators of advertising effectiveness (Mehta, 2000). Presently, there exist two typical views about the relationship between consumers' beliefs and their general attitudes toward advertising. The first treats the two constructs as equivalent and interchangeable, both conceptually and operationally (Mehta, 2000; Schlosser & Shavitt, 1999), whereas the second postulates that there are fundamental distinctions between beliefs and attitudes. Specifically, beliefs are specific statements describing the attributes or consequences of objects. Attitudes, on the other hand, are summative evaluations of objects. Emanating from beliefs, attitudes operate at different levels of cognitive abstraction. Similarly, one's beliefs about advertising are antecedents of attitudes toward advertising (Brackett and Carr, 2001; Ducoffe, 1996; Pollay & Mittal, 1993). In this study, our model is built upon the second perspective. Beliefs about web advertising are descriptive statements about the attributes of online advertising (e.g., online advertising is entertaining). Attitudes toward web advertising are defined as the aggregation of evaluations of perceived attributes and benefits of online advertising (e.g., overall, I consider online advertising a good thing). Prior studies have demonstrated that one's belief about advertising is a multidimensional construct. For instance, Bauer and Greyser (1968) identified two dimensions underlying consumers' beliefs: economic and social. Later on, Pollay and Mittal's model (1993) presented seven belief factors underlying consumers' beliefs and classified those factors into two categories. The first category, labeled as personal use, consists of factors including product information, social role and image, and hedonic/pleasure. The second category, labeled as social effect, includes value corruption, falsity/no sense, good for the economy, and materialism.

Objective of the research

Study the web users' belief, attitude and behavior towards web advertising

Conceptual framework: Seven dimensions of belief effecting attitude towards web advertising as follows:



1. **Product information:** Personal factor advocates that advertising rest of its role as a provider of information (Ju-Pak, 1999). The web information permits grater market place efficiencies (i.e. more exact matching and between consumer's needs and wants and producers' offering).

2. **Social role and image:** Web advertising, like other forms of advertising provides life style imaginary and its communication goals often specially a brand image or personality, associated status or prestige, or social reactions to purchase, ownership and use.

3. **Hedonic/pleasure:** Web adverting, with its interactive, multimedia capabilities can be beautiful to look at, touching

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in their sentiment, funny in their music, pace and attitude. Hoffman and Novak (1996) assert that image and content rich websites containing messages emended with enjoyable, interactive presentations represents the future of web advertising.

4. **Good for economy:** Web ads save consumer time and make it possible for them to make a choice from a wide variety of goods from their uses in homes and offices. Web advertisements makes easy for consumer to compare prices and make sawing by comparing prices for costly items due to its information rich approach.

5. **Materialism:** Materialism is defined as a set of belief structures that sees consumption as the route to most, if not all, satisfactions. Web users are faced with an enticing array of material goods, which may promote commercial concerns resulting in materialism.

6. **Falsity/ No sense:** In their rush to have a Web presence, many firms that ordinarily employ sound research practices abandon their logic and develop ineffective websites (Nadilo, 1998). Some of the characteristics of these sites include half-truths, deceptive claims and intelligence insulting prose. As with other forms of advertising, Web advertising often promises consumers magical results from the product they are selling, thereby fuelling the falsity factor.

7. **Value corruption:** Web advertising has the power to mould users' values; thus, Web advertising has the potential to corrupt the values of its users. Value corruption is a serious user concern prompting a business segment of its own: 'ad blocker' software that prevents ads from appearing on a Web page (IvIcCormal1y, 2(00).

RESEARCH METHODOLOGY

The survey instrument included several statements designed to measure the participants' beliefs about and attitudes towards Web advertising. Respondents were asked questions pertaining to Web banner advertising. In addition, demographic information was collected. The survey was designed with 31 items intended to capture seven underlying advertising belief dimensions that represent the three personal effects of advertising: product information, social role and image, hedonic/pleasure along with the four social advertising effects :good for the economy, value corruption, falsity/no sense and materialism. Items pertaining to web advertising were measured on a 5 point Likert scale (1 = Strongly disagree to 5 = Strongly agree). Data were collected primarily from 200 college students (100 male, 100 female) of age group 17-22 years, from Ludhiana city of Punjab sate, a large northwestern metropolitan area with a population of more than 3 million.

Respondents' profile

Table 1: General information of respondents

Characteristics	No.	%age
Mother's education		
High school	47	23.50
Graduate	101	50.50
Postgraduate	47	23.50
Technical education	5	2.50
Father's education		
High school	47	23.50
Graduate	102	51.00
Postgraduate	46	23.00
Technical education	5	2.50
Family occupation		
Business	146	73.00
Professional	35	17.50
Technical expert	6	3.00
Doctor	4	2.00
Service	5	2.50
Agriculture	4	2.00
Family income (Rs./annum)		
<100000	33	16.50
100000 to 200000	86	43.00
200000 to 300000	46	23.00
>300000	35	17.50
Time of using internet (hr/wk)		
<3	70	35.00
3-5	83	41.50
>5	47	23.50
Age (years)		
17-18	41	20.50
18-19	74	37.00
19-20	54	27.00
20-21	18	9.00
21-22	13	6.54

Regression model

The effect of 7 dimensions of beliefs on Web advertising attitude was evaluated through multiple regression analysis. The same method was used to evaluate the effect of age, income, time of internet use and attitude on web advertising behavior.

The equation were as follows:

$$y_1 = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + b_5x_5 + b_6x_6 + b_7x_7$$

$$y_2 = a + b_8y_1 + b_9x_8 + b_{10}x_9 + b_{11}x_{10} + u$$

where,

y_1 = Web advertising attitude
x_1 = Product information
x_3 = Social role and image
x_5 = Materialism
x_7 = Corrupts values
x_9 = Income
u = a random error term

y_2 = Web advertising behavior
x_2 = Hedonic pleasure
x_4 = Govt. for the economy
x_6 = Falsity/ no sense
x_8 = Age of the respondent
x_{10} = Internet use

RESULTS AND DISCUSSION

The results obtained by analyzing the data are discussed hereunder:

Operationalization of beliefs, attitude and behavior

The analysis given in Table 2 and 3 shows that the mean score of 7 dimensions of beliefs came to be 11.44 for product information, 9.76 for hedonic, 9.62 for social role, 9.69 for good for economy, 12.84 for materialism, 9.60 for falsity/no sense and 14.68 for value corruption. The overall level of agreement came to be 76.26, 65.07, 64.13, 64.60, 64.20, 64.00 and 73.40 per cent, respectively which explains the high degree of agreement on different statements of beliefs. All the correlation coefficients of item to total agreement were found to be significant showing the significant relationship between a part and the whole. The reliability of coefficient of alpha almost exceeded 0.60 benchmark except for good for economy suggested for the early phases of scale development. This shows that the scale was perfect in getting the agreement level of the beliefs. Similarly the mean extent of agreement on attitude came to be 13.06 (65.30%) while it was 9.51 (47.55%), in case of behavior in item-to-total relationship was quite high in both the cases indicating the strong expression of attitude and behavior through different statements. The coefficient alpha again came to be significantly high.

Table 2: Operationalizaton of belief factors constructs (n = 200)

Belief construct/ measure	Mean	SD	Item-to-item correlation	Coefficient alpha
1. Product information (Prod info)				
Web advertising is a very valuable source of information about sales	3.71	0.83	0.6765	0.64
Web advertising tells me which brands have the features I am looking for	3.79	1.01	0.7595	
Web advertising helps me keep up to date about products available in the marketplace	3.96	0.95	0.7776	
Total	11.44	2.08		

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2. Hedonic/ pleasure (Hedonic)				
Sometimes I take pleasure in thinking about what I saw or heard in Web advertisements	3.14	0.99	0.6842	0.69
Sometimes Web advertising is even more enjoyable than websites	3.12	1.09	0.7779	
Some web advertisements make me feel good	3.53	0.86	0.6487	
Total	9.76	2.09		
3. Social role and image (Socrole)				
From Web advertising I learn what is in fashion and what I should buy for keeping a good social image	3.66	1.15	0.6823	0.82
Web advertisements tell me what people like myself are buying and using	3.11	1.10	0.7692	
Web advertising helps me know which products will or will not reflect the sort of person I am	2.86	1.14	0.7118	
Total	9.62	2.44		
4. Good for the economy (Goodecon)				
Web advertising improves people's standard of living	3.29	1.18	0.6983	0.47
We need Web advertising to support the Web	3.34	1.07	0.6763	
There have been times when I have bought something because of a Web advertisement	3.06	1.20	0.6532	
Total	9.69	2.33		
5. Materialism (Material)				
Web ads make you buy things you don't really need	2.77	1.14	0.6720	0.47
Web advertising increases dissatisfaction among consumers by showing products which some consumers can't afford	3.28	1.21	0.6240	
Web advertising is making us a materialistic society – interested in buying and owning things	3.44	1.04	0.5213	
Web advertising makes people buy unaffordable products just to show off	3.36	1.16	0.6974	
Total	12.84	2.87		
6. Falsity/ no sense (Falsity)				
One can put more trust in products advertised on the Web than in those not advertised on the Web	2.99	1.30	0.7253	0.68
Web advertisements reassure me that I am doing the right thing in using these products	3.10	1.12	0.7954	
Web advertising helps the consumer buy the best brand for the price	3.52	1.10	0.6442	
Total	9.60	2.54		
7. Value corruption (Valcorup)				
Web advertising sometimes makes people live in a world of fantasy	3.49	1.08	0.6458	0.66
Web advertising takes undue advantage of children	3.67	1.17	0.7960	
Web advertising leads children to make unreasonable purchase demands on the parents	3.72	1.27	0.7874	
There is too much sex in Web advertising today	3.80	1.22	0.7269	
	14.68	3.52		

Table 3: Opertaionalization of attitude behavior construct/measures

Belief construct/ measure	Mean	SD	Item-to-item correlation	Coefficient alpha
Attitude construct/ measure				
Overall do you considered web advertising a good or a bad thing?	3.57	0.78	0.6036	0.79
Overall do you like or dislike web advertising?	3.53	0.78	0.5689	
In consider web advertising	3.51	0.84	0.6049	
To me web advertising is ...	2.45	0.80	0.5661	
Total	13.06	1.88		
Behaviour construct/ measure				
When I see an advertisement on my computer screen, I pay close attention to it.	2.58	0.82	0.3849	0.68
When I see an advertisement on my computer screen, I click on the advertisement to find more information.	2.45	0.96	0.4872	
When I seen an advertisement on my computer screen, I ignore it.	2.52	0.91	0.4324	
When I seen an advertisement on my computer screen, I leave the Website.	1.97	1.05	0.5752	
Total	9.51	1.78		

Maximum likelihood coefficients: Factor loading

Maximum likelihood coefficients: Factor loading

The model contains 23 items indicators for the seven latent beliefs (prodinfo, hedonic, socrele, goodecon, material, falsity and vocaroup). The model was tested through maximum likelihood coefficients. All the loading estimates are significant. This shows that each statement contributes significantly towards predicting a particular dimension of belief. The value of ^{2} came o be 861.20 with 253 degree of freedom which was significant at one per cent level. This affirmed that the model is a satisfactory fit (Table 4).

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Table 4: Attitude measurement model results (maximum likelihood estimates)

Item	Prodinfo	Hedonic	Sacrole	Goodecon	Material	Falsity	Valcrop
P1	0.47						
P2	0.68						
P3	0.69						
H1		0.74					
H2		0.59					
H3		0.67					
S1			0.77				
S2			0.78				
S3			0.81				
G1				0.62			
G2				0.60			
G3				0.43			
M1					0.52		
M2					0.61		
M3					0.83		
M4					0.70		
F1						0.49	
F2						0.72	
F3						0.64	
V1							0.34
V2							0.47
V3							0.81
V4							0.89

Goodness-of-fit statistics

Chi-square value	d.f.	Significance
861.20	253	0.0001

Relationship between different dimensions of beliefs

The inter correlation between different dimensions of beliefs are presented in Table 5. The relationships are, by and large, significant with each other. It was non significant only between prodinfo and material, prodinfo and valcorup, hedonic and valcorup, socrole and valcorup, falsity and valcorup, hedonic and valcorup, socrole and valcorup and falsity and valcorup. There are significant relationships of prodinfo with hedonic, socrole, goodecon and falsity, hedonic with socrole, goodecon and falsity, socrole with goodecon, material, falsity and valcorup. Falsity was found to be in inverse relationship with all other dimensions of beliefs while all other dimensions were positively correlated with each other. This indicates that beliefs were directly determined by prodinfo, hedonic, socrole, goodecon, material and valcorup while it was inversely influenced through falsity. In other words, an increase in positively correlated dimensions of beliefs would lead to a decline in falsity, hence we get net content of beliefs.

Table 5: Correlation matrix (df = 198)

	P	H	S	G	M	F	V
P	1.000						
H	0.871**	1.000					
S	0.637**	0.627**	1.000				
G	0.798**	0.883**	0.725**	1.000			
M	0.113^{ns}	0.172^{ns}	0.627**	0.278*	1.000		
F	-0.775**	-0.892**	-0.637**	-0.889**	-0.209*	1.000	
V	-0.102^{ns}	-0.081^{ns}	0.368**	0.054^{ns}	0.804**	0.097^{ns}	1.000

Regression approach

A regression equation was tried to determine the contribution of different dimensions of beliefs towards attitude to web advertising while another equation was tried to determine the impact of attitude, age, income and internet use on web advertising behavior of respondents. The results are presented in Table 6.

Beliefs as predictor of web advertising attitude

The results of first equation indicates that 6 of the 7 indicators of beliefs yielded statistically significant weighed least square parameter estimates. The regression coefficients of P, H and S are positively significant while those of M, F and V are negatively significant. The estimate came to be the non significant in case of G.

The regression coefficients of P, H and S suggest that an increase of one unit in the weighted score of P, H and S would lead to an increase of 0.37, 0.22 and 0.19 units in the weighted score of attitude. On the other hand, an increase of one unit in the weighted score of M, F and V would lead to a decline of 0.11, 0.24 and 0.20 units in weighted score of attitude. The equation results support the influence of the 6 of 7 belief factors as predictors of respondents attitude towards web advertising. It is well in place to observe that the direction of each of the significant parameter estimates was consistent with the prior hypothesis concerning the web advertising beliefs and attitude linkage. The belief construct, good for economy was non significant predictor of web advertising attitude, indicating its lack of influence as a predictor of respondents attitude towards web advertising. This may be due to its low reliability coefficients (0.47). Overall, the results support the influence of belief construct as determinants of web advertising attitudes. The coefficient of multiple determination for this equation came to be 0.5167. This indicates that 51.67 of the variation in respondents web advertising attitudes was explained by the 7 belief factors.

Web advertising: Attitude-behaviour linkage

In second equation the linkage between attitudes towards web advertising and web advertising behavior was examined in interaction with age, income and internet use direction. The results indicate that respondents, favorable attitudes towards web advertising influence their web advertising behavior significantly. The estimate of attitudes came to be 0.4561, which shows that there would be an increase of 0.46 units in web advertising behavior with and increase of one unit in web advertising attitude. Thus, the results support the hypothesis regarding relationship between web advertising attitudes and web advertising behavior.

Age, income, internet use: Predictors of web advertising behavior

The analysis in Table 6 further reveals that income of the respondents, family and duration of internet use had significant

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negative impact on web advertising, behavior, while age of the respondents could not exert any influence. The coefficient of income came to be -0.2812 and -0.1897 for income and age respectively. The results indicate the higher the family income of respondents the more negative the respondnets' behavior towards web advertising. A similar pattern emerges with respect to duration of internet use by the respondents. The magnitude of R^2 shows that age, income, internet use and respondents' attitudes towards web-advertising explained 46.83 percent of the variation of web-advertising behavior of the respondents. Hence the results partially support the hypothesis regarding the linkage between demographics and reported web advertising behavior.

Table 6: Estimates of different parameters affecting attitude and behavior

Variable/parameters	Estimate	t-value
Attitude		
P	0.3721	4.37***
H	0.2175	2.54**
S	0.1867	1.99**
G	0.0987	1.57
M	-0.1139	2.37**
F	-0.2437	3.24***
V	-0.1981	4.19***
R-square	0.5167	
Behavior		
Age	-0.1172	1.23
Income	-0.2812	2.27**
Internet use (hrs/wk)	-0.1897	2.49**
Attitude	0.456	3.87***
R-square	0.4683	

*** Significant at 0.01 level ** Significant at 0.05 level Goodness of fit statistics 2 vale = 12.96, d.f. 10

SUMMARY AND CONCLUSIONS

As the Web becomes a prominent advertising medium, investigation of the applicability of advertising effectiveness models to the Web is fundamental. Consequently, the findings of this study add significantly to the understanding of Web users' beliefs about and attitudes towards Web advertisements. The primary objective of this study was to demonstrate how an advertising effectiveness model currently used with traditional media might be tested with the more novel Web medium. Accordingly, the study's results suggest that Pollay and Mittal's (1993) seven-dimension belief and attitude model applies to Web advertising in addition to previously researched traditional advertising.

As H1 generally predicted, Web users' beliefs about Web advertising are related to their attitudes towards Web advertising. Six of the seven belief factors examined were significant, indicating Web users' societal and personal beliefs about product information, hedonic pleasure, and social role and image related positively to their attitudes towards Web advertising. The results indicate that product information held the most dominant role. This dominance is not surprising considering the significant correlation between informativeness and Web advertising value (Ducoffe, 1996). For the hedonic pleasure belief, the results indicate that Web users' attitudes towards Web advertising will be improved with beautiful, motivating and enjoyable designs. Thus, for advertisers to enhance consumer attitudes, engaging designs should be employed which motivate the user. Regarding the social role and image belief, the results suggest that Web users display more positive attitudes when Web ads are trendy, fashionable and socially aware.

The above-mentioned three positively correlated belief factor results imply the need for Web advertisers to monitor trends and social dynamics regularly and to update Web ads with engaging designs on a timely basis. Careful attention must be paid, however, to the temptation to go overboard, designing too complex sites that may backfire, evoking negative attitudes towards Web ads (Bruner and Kumar, 2000). Most important, however, is the primary need for these advertisements to be thorough information providers. Thus, this main information provider function should then be couched in socially acceptable, pleasurable design formats.

Web users' beliefs about materialism, falsity/no sense and value corruption related negatively to their attitudes towards Web advertising. Value corruption played the most dominant role, suggesting when the Web's advertising value premises do more to reinforce greed, lust, gluttony, envy, sloth, pride and anger versus reinforcing virtues (Pollay and Mittal, 1993), Web users display less positive attitudes towards Web advertising. The materialism belief variable results indicate Web users' positive attitudes diminish when they perceive Web ads as overly tempting. Concerning the falsity/no sense belief variable, the results indicate Web users' positive attitudes wane when they perceive Web ads as deceptive.

Thus, with respect to the negatively correlated belief factors, to succeed at creating positive attitudes towards Web advertising, it is fundamentally imperative for advertisers to design Web ads with underlying trust, avoiding confusing, silly, misleading, trivial and sinful implications. To accomplish this feat, advertisers may have to adopt trust-building strategies including money-back guarantees, 24-hour customer service, and affiliations with dominant organisations and 'seals of approval'. It is also interesting to note that the goodness for the economy construct was not significant; perhaps because it is likely that Web users' advertising value orientation varies with media usage (Becker and Connor, 1981), suggesting the need to segment Web users' usage patterns in order to discern goodness for the economy.

Next, as H2 generally predicted, Web users' attitudes towards Web advertising impact on their reported behaviour towards Web advertising; that is, the more positive Web users' attitudes are towards Web advertising, the greater the likelihood they will respond favourably to Web ads. Drawing from the afore-mentioned results, this study revalidates the attitude–behaviour link exhibited in the literature. Thus, for advertisers to evoke positive behaviour, which may enhance the likelihood of online purchasing, they should design ads with the following personal and societal features in mind, ranked by order of importance: value corruption (societal factor), product information (personal factor), hedonic/pleasure (personal factor), materialism (societal factor), social role and image (personal factor), and falsity/no sense (societal factor). Clearly, advertisers should note foremost, even above and beyond the role of information provider that effective Web advertisements need to function in a way where they reinforce virtues.

These findings suggest that marketers should invest time and money into providing consumers with the afore-mentioned cognitive and affective components that will likely lead to forming positive attitudes. These positive attitudes, in turn, will likely result in long-term favourable consumer behaviour. This long-term strategic influence plan should be considered above and beyond common short-term sales promotions, which may or may not influence attitudes.

Finally, H3 is partially supported. Not surprisingly, the results indicate the higher the respondents' income and education level, the more negative their reported behaviour towards Web advertising, akin to results found in similar studies using traditional media. In this study, age had no influence, suggesting that as the Web becomes more userfriendly and mainstream, age will probably not play a significant role in Web advertising behaviour patterns.

The study explored the beliefs and attitude towards online advertising among Indian consumers and the relationship between belief, attitude and behaviour. Findings enhanced our understanding about ATOA in the Indian environment and provided useful indication for global marketers. However, there are several limitations associated with the study. First, it used a sample of college students, thereby limiting generation of the results. Secondly, due to the fact that online advertising is still a new phenomenon in Indian consumers' beliefs and attitude towards online advertising are still evolving and changing.

The cross-sectional design of the current study only provides a snapshot of Indian consumer ATOA. The results of this study provide a preliminary step in testing a traditional media-oriented adverting effectiveness model in due context of the more novel internet medium and present a general blueprint for designing web-advertisements likely to lead to desired behaviour. Given the expeditious expansion of and reliance on Internet usage in India, testing theories across media is indeed essential.

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A STUDY OF THE BUSINESS MANAGEMENT OF SMALL AGRIPRENEURS WITH SPECIAL REFERENCE TO MIDDLE SIZE TOWN OF JABALPUR

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The individual farmers indulging in retail business, the small petty retailers have per day earning ranging from Rs.500/- to Rs.5000/-, again subject to certain conditions. These farmers can pull in much better profits but are the victims of the system, which involve the intermediaries, the local market rules, and the lack of ability to market the produce and so on, which can be discussed in detail.

INTRODUCTION:

In India a lot of agriculture produce does not make good profit for lack of good marketing and lack of proper planning on the logistics front. If properly planned and marketed, the same produce can give huge turnover. Referring to the agriculture produce market of the middle size town of Jabalpur – the total vegetable and fruit market (excluding grain market) has an approximate turnover of Rs.50 lacs per day. This includes 20% to 22% vegetable market and the balance 28% fruit market. Further, the turnover of an average individual farmer ranges from around Rs.50000/- to Rs.200000/- per day. These figures are with reference to the whole sellers. In case of the individuals indulging in retail business, the small petty retailers have per day earning ranging from Rs.500/- to Rs.5000/-, again subject to certain conditions. These farmers can pull in much better profits but are the victims of the system, which involve the intermediaries, the local market rules, and the lack of ability to market the produce and so on, which can be discussed in detail.

LITERATURE REVIEW

Reading material from the earlier works done on the relevant subject supported the study. This included the works done by the references mentioned; and in-depth research study done by Dr.Vishwanathan R.S.L. (1997) and Dr.Tripathi S.K. (2003) for their doctorate on this subject and other study material from the University of Jabalpur (R.D.V.V.).

- Shrivastava S.K. and Jharia G.L.: "Entrepreneurial Behaviour with reference to Agriculture", Journal of Agricultural and Applied Economics 77, 6 (2004). The study mentions about the change in the outlook of the people about agripreneurs. It discusses about the changes that are seen in the initiatives being taken by the entrepreneur to gain economic stability and also taking up agriculture as a full time profession.
- A. Saeed: "Rural Agri-vendors in the contemporary Indian Society", The Management Review Academy, 25-256-289. The study discusses about the relationship techniques and means being used by the various agri-vendors to grow and sustain their customer base.
- Khan Md.Z.K. (2005) – "Changes in the Agri product market with special reference to consumption pattern of the consumer" - Mekal Market. He discusses about the change in the consumption pattern of agri products due to the generated awareness about the benefits associated with its consumption and also the increase in per individual intake and the frequency of consumption.
- Yadav V.K and Dubey P.K. (2002) – "Growth of Indian agricultural produce market in the changing retailing system" - ICA 2002. With the fast change in the retail sector the vending system of the agriculture produce have also been affected. The study states the changes in the basic retailing system and its impact on the overall market of the agriculture produce.
- Dey. S.K. and Duggal P. (2006) - "Rural aspirants and their Entrepreneurial Skills" – Journal of Rural Development. It highlights the various skills and operational manners of the rural entrepreneurs for the growth and sustenance of their entrepreneurial projects.

INITIAL UNDERSTANDING:

The understanding adhered to was that, "All factors remaining same if the farmers are given assistance they can earn a better profit out of their produce." Since the research has been only for the understanding of the agribusiness and its development, the agripreneurs were personally interviews through means of random sampling. The basic reason of the study was the situation and the problems being faced by the farmers who come down for selling their produce in the city of Jabalpur from the nearby villages and small agricultural areas. These farmers are basically not marketers but are people who own small land and grow vegetables and other small crops for their survival. These farmers have some common problems as follows:

1) The produce is not so big that they can have a contract with the wholesaler.
2) The costs of overheads are at times not met.
3) Sale quantity affects the overall profitability.
4) Do not have proper storing system thus the overall transport cost increases thus decreasing the profit.
5) They are at times compelled to sell their goods to the local bigger retailers so that the individual risks are deduced.

In routine course all these local area farmers are divided into two broad categories: firstly those who are very petty ones and have a hand full of produce valuing to an amount of Rs.1000/- to Rs.2000/- per day. Second category is of the farmers who belong to slightly bigger category and hold goods averaging to Rs.5000/-. In the first case the farmers are either required to sell their goods on their own, where they have a huge risk of produce being left unsold; as the other option they can sell their produce in totality to some big shopkeeper. In this case there are chances of the small farmer being taken advantage of.

PURPOSE OF THE STUDY:

The modus operandi of the small agripreneurs is very simple and is majorly a very small process. The core objectives were:

1) To understand how do the small and marginal farmers sell their produce in the market?
2) Are the small agripreneurs getting a fair deal on their produce?
3) Will some modular planning in the operations would help in generating better business?
4) Will modification in the state of the products get into better business opportunities?

SAMPLE SIZE AND METHODOLOGY:

In the Jabalpur city, there are three major vegetable / fruit markets and since our focus of study is vegetable and fruit growers, while conducting the study a total of 187 agripreneurs where interviewed ranging from small to middle size farmers, including all the market places. These agripreneurs where divided into five different categories

Ranging from petty sellers	(18%)
Petty sellers with permanent place	(17%)
Sellers with permanent municipal allotted space	(18%)
Wholesalers random	(23%)
and wholesalers with permanent municipal allotted space	(24%)

The methodology used was simple random sampling and all the targets where interviewed personally under a structured open-end questionnaire. FGD's were also organized to study consumer response for qualitative information. The details collected consisted both of qualitative and quantitative information.

Research Sample	Vegetable Vendors	Food Compliments	Handicrafts and Potteries	Nursery	Bidi making	Incense Stick Making
Absolute numbers	213	117	56	19	35	47
Different types of vendors	RV with permanent place in market	RV w/o permanent place in market	Retail Vendors in residential areas	Mobile vendors in residential areas		
% distribution	37	31	15	17		
Every 100 times of sale	Cost recovered	Profit range of 10-15%	Profit range of 15-25%	Profit range > 25%	Loss range of 10-15%	Loss > 15%
% distribution	27	69	43	19	9	7
Different types of vendors in sampled universe	Petty sellers	Petty Sellers with permanent place	Sellers with permanent Municipal allotted space	Wholesalers random	Wholesalers with permanent Municipal allotted space	
% Interviewed	47	44	47	62	66	
Average weekly footfall of the customers	One visit	> 3-4 times in a week	Daily	Weekly	Not noticeable	
Stationed vendors	37	53	36	34	23	
Mobile Vendors	9	13	19	11	7	
Types of customers	Stationed	Mobile				
Regular Customers	57	73				
Floating Customers	43	27				

UNDERSTANDING OF THE STUDY:

During the study the first thing noticed was that a big percentage of the small agripreneurs in routine course bring their produce to the market place and sell it in the open market in the traditional manner. Some of them move as hawkers in defined zones of the urban and / or rural areas. It is some few who sell their produce in bulk to some local retailer and ensure having cleared their stock. In routine course these small farmers carry their produce in carts or other local transport and sell it in the market in retail at a close to unanimous price. Some of these sellers have a defined permanent place to trade from and have their own set of customers who trust and count on them for quality and price. There are farmers who have bigger lot of produce to be sold and they indulge in both wholesaling and retailing of their produce. Although in this case the rates do vary for retail and wholesale but in most of the cases the goods are sold.

In cases where the agripreneurs are selling in either retail or wholesale they can get good price subject to quality of the product; aptness of time for the produce to reach the market and price negotiated. All this is majorly supported by the demand and supply ratio for a product. There are farmers who cannot manage to sell their entire produce on their own and they sell it to wholesalers; but in such a case it is most of the time the purchaser has an upper hand and fixes the rates. In these markets there is also a system of middlemen / brokers, who purchase produce from petty farmers in totality and then sell it on their terms and as per the market requirement. In such cases the profit margins earned by the farmers are reduced further and the sale is governed by the whims of the purchasers.

One noticeable change, which has been seen, is that an entrepreneur has started a new phenomenon. This also answers that; will some modular planning in the operations would help in generating better business? He purchases agricultural produce from the small agripreneurs in totality and then after proper cleaning, processing and packing, he sells it against orders directly to households. This has given raise to good business options for the entrepreneur as well as a few more people. Since the purchases are made directly from the farmers in bulk, the prices are better than what can be received from the open retail market. Due to this, since the consumers are getting products at the same price at what the products can be picked from the open market, but in a better state, they are accepting the idea and concept very well. This is also generating better business options and also helping the farmers in getting a fair earning out of their produce. If this is accepted well and the idea persists, the problem of the brokers and middlemen would also be solved.

To support this concept of clean and packed agri produce, FGD's were organized with target potential consumers. This concept was appreciated and there was an open willingness to accept it. The consumers were also asked to rate the concept on the parameters of quality, price, affordability, availability, etc. For majority consumer's quality was the major concern, and since these consumers belonged to the category of SEC B and above affordability was not a very big concern. Another important concern was the factor of ready to use.

Product Quality	4.3
Product Price	3.7
Product Availability	3.1
Consumers Affordability	2.4
Ready to use ease	3.4
Requirement	3.1
Because it makes a difference	3.0

Table 1: Consumers Rating

Looking into this concept a step further was suggested and an initiation was tried. This was the idea of selling cleanly and neatly chopped vegetables. This concept was first introduced in Food Bazaar and it has worked fairly well. Even during the FGD session consumers accepted this idea with an open view and has supported that even if the price varies marginally and the vegetables are made available cleaned and chopped, they do not mind paying an additional amount.

This also states that, modification in the state of the products get into better business opportunities. In the recent past the market for the dried vegetable and canned vegetables and fruits have also grow many folds. Data proves well that, in this time-constrained life style slowly people are looking forward to getting additional benefits. Another example, which is very peculiar, is that of ready pickles and other vegetable based conversions.
Since the farmers do not have a huge stock of produce they are not in the position of utilizing the storage facility. One good thing is that, the petty farmers who are petty vegetable retailers are ones who supply fresh goods to the consumers on a daily basis.

One more major point noted is that, it is only a average vendor who can afford to get a permanent municipal allotted place in the vegetable market and the rest small ones have to sell from areas in and outside around the market. This is because these farmers' vegetable vendors are not the people who earn a very high margin and are thus not capable of hiring a permanent shop against municipal rent. This also decreases the opportunity of the small and marginal farmers to grow and thus a very few manage to have an established market for themselves.

LIMITATIONS OF STUDY:

1) Not a very big sample size could be taken due to many factors.

2) The study has been conducted in the city of Jabalpur, and thus only the farmers of nearby areas of Amkhera, Panagar, Deori etc. could be tapped.

KEY FINDINGS:

1) If the local market is organized and even the small agripreneurs are given an opportunity to operate from a better location, they would probably earn better market money.

2) The middlemen and / or brokers should be moved out, so that a uniform rates / price can be made applicable for all the vendors.

3) The financial institutions should support schemes with alteration in product presentability for better earnings and small agripreneurs should be assisted.

4) Small agripreneurs should be given assistance for planning their business operations in a better way.

5) The government for training and improvement of the small time agripreneurs should introduce schemes.

CONCLUSION:

This study is still in process and is being conducted in the town of Jabalpur and with the agripreneurs of the surrounding villages and areas over a period of time. The author of this paper is conducting the entire study and for any further data or details, the readers can revert to the author. It is anticipated that the study would be of utility to many more researchers.

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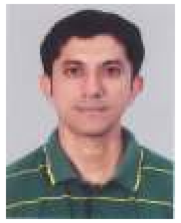
LEADERSHIP STYLE OF SCHOOL HEAD MASTERS AND IT'S INFLUENCE ON THE ORGANIZATIONAL COMMITMENT OF SUBORDINATE TEACHERS: A STUDY AMONG SCHOOL TEACHERS IN KERALA



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Good leadership is essential for any organization to function effectively and efficiently. This is very much true in the case of schools. Exemplary school leadership creates a sense of excitement about teaching and learning within the school and the surrounding locality by focusing on dreams and expectations of students, members of the faculty, parents and the surrounding community.

THEORETICAL FRAMEWORK OF THE STUDY

Leadership

Leadership is usually defined as the process of influencing people to achieve organizational objectives. Successful leaders tend to create a climate within the work environment where they are able to assist employees to set and achieve individual, team and ultimately organizational objectives (Upasana Joshi, 2009). Leadership in the school context is shaped in the way school headmasters exhibit their leadership style/ leadership behaviour with the intention of creating a school climate that is characterized by staff productivity, student productivity, creative thought (Ubben & Hughes, 1987). Leadership is the ability to get all the members of the organization to perform tasks required to achieve the organizational goals and objectives (Bennis &Nanus, 1985). Leadership is often referred to as influence process (Cuban, 1998). Effective leadership is aligning people with the same vision and moving forward in the same direction (VictorYu, 2009). Good leadership is essential for any organization to function effectively and efficiently. This is very much true in the case of schools. Exemplary school leadership creates a sense of excitement about teaching and learning within the school and the surrounding locality by focusing on dreams and expectations of students, members of the faculty, parents and the surrounding community. In such schools which are considered good, there is the presence of a professionally alert and dynamic principal, determined enough to provide the kind of educational programme he/she deems necessary (Goldhaninier,1971). There is truth in the statement, that it is difficult to see a good school with a poor principal or a poor school with a good principal (Hechinger, 1981). It is the leadership of the school that distinguishes an excellent school from a mediocre or a bad school (Ubben & Hughes,1987).

Transactional versus transformational leaders

There are different classifications of leadership depending upon the style, strategy or technique adopted by the leader designate. One such classification is transactional leadership versus transformational leadership. A stream of research has focused on differentiating transactional leadership from transformational leadership and thus understanding as to who would qualify to be a transformational leader rather than a transactional leader (B.M, Bass. 1985; B.M. Bass, et.al, 2003; Bycio, et.al.1995; T.A.Judge & R.F.Piccolo, 2004). It is believed that transactional leaders guide or motivate their followers in the direction of established goals by classifying role and task requirements. Transformational leaders inspire followers to transcend their own self interest for the good of the organization and are capable of having a profound and extra ordinary effect on their followers. They pay attention to the concerns and developmental needs of individual followers; they change followers' awareness of issues by helping them to look at

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old problems in new ways; and they are able to excite, arouse and inspire followers to put out extra effort to achieve group goals (Stephen P. Robbins & Timothy A. Judge, 2009).

The characteristics exhibited by transactional leaders as against transformational leaders are not the same always. Transactional leaders contracts exchange of rewards for effort, promises rewards for good performance and recognizes accomplishments. They watch and search for deviations from rules and standards and takes corrective action. They usually intervene only if standards are not met. Transformational leaders, on the other hand, provides vision and sense of mission, instills pride and gains respect and trust from their followers. They provide inspirational motivation by communicating high expectations uses symbols to focus efforts and are able to express important purposes in simple ways. Transformational leaders are able to provide intellectual stimulation. They promote intelligence and rationality in problem solving contexts. They are very adept in handling people by showing individualized consideration. He treats each employee individually, coaches and advises them (B.M. Bass, 1990).

Organizational commitment

Organizational commitment is defined as 'the relative strength of an individual's identification with and involvement in a particular organization (Mowday, Porter, & Steers, 1982, p. 27). Prior research suggests that work experiences, personal and organizational factors serve as antecedents to organizational commitment (Allen & Meyer, 1990, 1996; Eby, Freeman, Rush, & Lance, 1999; Meyer & Allen, 1997). One such personal and organizational factor that is considered a key determinant of organizational commitment is leadership (Mowday et al., 1982).

As already stated, there is evidence suggesting a relationship between leadership and organizational commitment. Leadership accounts for a significant amount of the variance in commitment, though the empirical evidence on the nature of relationship needs to be examined and validated in different contexts (Glisson, 1989). Commitment embodies a sense of being bound emotionally and intellectually to some course of action, which could en compass a person's relationship with another individual, group or organization (Huntington, 1986). Commitment is also understood as loyalty, identification and involvement with some appropriate object (Buchanan, 1974). In an organizational setting, such loyalty involves feelings of attachment which develops as individuals share values in common with other members of the group. This identification expressed through the adoption of organizational goals, occurs when individuals take pride in the organization, participate with intense interest in its activities and speak positively about their connection with the organization (Etzioni, 1975)

A number of studies have examined the relationship between the leadership style of school head masters or principals and subordinate teachers' commitment to the school. Findings show that in order to build strong teacher commitment, headmasters must provide strong, directive leadership in setting and developing school goals, creating a unity of purpose, facilitating communication, and managing instruction (Cruz, 1995). Similarly, high correlations have been reported between the principal's leadership behaviors of buffering, caring, involving, and praising, and faculty trust in the principal and commitment to the school (Depasquale, 1996; Meade, 1994; Yakmalian, 1995). Other studies have highlighted a positive correlation of teachers' perceptions of the principal's leadership behavior with teacher morale (Houseknecht, 1990) and commitment to the school (Marschilok, 1993) and to the teaching profession (Everett, 1991). Overall, these studies strongly suggest that there may be important relationships between a principal's leadership style and teachers' organizational commitment.

There is considerable research now available suggesting that transformational leadership is positively associated with organizational commitment in a variety of organizational settings and cultures (Bono & Judge, 2003; Dumdum et al., 2002; Koh, Steers, & Terborg, 1995; Lowe et al., 1996; Walumbwa & Lawler, 2003). Certain studies suggest that transformational leaders are able to influence followers' organizational commitment by promoting higher levels of intrinsic value associated with goal accomplishment, emphasizing the linkages between follower effort and goal achievement, and by creating a higher level of personal commitment on the part of the leader and followers to a common vision, mission, and organizational goals (Shamir, House, & Arthur, 1993; Shamir, Zakay, Breinin, & Popper, 1998). Transformational leaders influence followers' organizational commitment by encouraging followers to think critically by using novel approaches, involving followers in decision-making processes, inspiring loyalty, while recognizing and appreciating the different needs of each follower to develop his or her personal potential (Avolio, 1999; Bass & Avolio, 1994; Yammarino, Spangler, & Bass, 1993). By encouraging followers to seek new ways to approach problems and challenges, and identifying with followers' needs, transformational leaders are able to motivate their followers to get more involved in their work, resulting in higher levels of organizational commitment (Walumbwa & Lawler, 2003).This view was supported by prior research that showed organizational commitment was higher for employees whose leaders encouraged participation in decision-making (Jermier & Berkes, 1979; Rhodes & Steers, 1981), emphasized consideration (Bycio, Hackett, & Allen, 1995), and were supportive and concerned for their followers' development (Allen & Meyer, 1990, 1996).

RATIONALE OF THE STUDY AND HYPOTHESIS

It is found that teachers' commitment towards their profession and organization collectively influences the team performance of teachers through measurable outcomes such as shared mission, identification and level of engagement with their organization, sense of engagement and belonging, and empowered team environment. This study which is conducted among a cross section of school teachers working in different types of schools (classified as challenged, proactive and normal) in the state of Kerala in India presupposes that the organizational commitment of teachers triggered and influenced by the leadership (in terms of the preponderance of either transactional or transformational style) of head masters would have a decisive role in categorizing the very destiny of schools in terms of their existence, functioning and overall acceptance of the school in terms of their effectiveness by the society at large. Kerala has mainly three types of schools in its educational system, viz., (i) public schools owned and managed by the state governments,(ii) aided private schools owned and managed by private individuals/ trusts/committees/charitable institutions (wherein appointment of teachers is done by the managing committee or trustees, excepting which, all other service terms and conditions of employees including remuneration is governed by the service rules enacted by the central/ state government) and (iii) unaided/self financing private schools (where in appointment of teachers, their remuneration, promotion, appraisal and termination are all governed by a set of rules and regulations framed and followed by the private owners/trusts/committees of the respective schools without any governmental interference). It is generally agreed that in terms of leadership, organizational structure, diversity of goals and resources, job attitudes, behavioural intentions and organizational commitment, there are noticeable differences between public schools on the one hand and private schools (aided schools and self financing schools) on the other. Even among government schools, certain schools are good or effective and certain others are not. Same argument is applicable in the case of private schools (aided as well as self financing). It is difficult to identify and list all such factors which could make a school effective or not effective or least effective. However, some of the previous studies (Tsui,K.T, 1996; JaapScheerens,2000; Lockheed,M.A,1998) reported that the important factors which would determine the school's effectiveness are, leadership behaviour, administrative functioning, teacher morale, level of trust, culture, climate, parental involvement, community support, students' academic performance loyalty and satisfaction of teachers, and teachers' efficiency and commitment.

In order to grade different schools in terms of their effectiveness based on various parameters as discussed above, it is logical to classify schools as i) most effective ii) effective and iii) least effective. Most effective schools have open climate and least effective have closed climate. More of the effective schools have relatively more open climate in comparison to less of the least effective schools. In the context of three different types of schools (government schools, private aided schools and private unaided self financing schools) co existing in Kerala, not a single study has been conducted so far examining the effectiveness of different types of schools in the state. The present study also does not attempt to conduct an enquiry in this direction. What is attempted in this study is to explore the influence exerted by headmasters through their leadership style (transactional / transformational) on the organizational commitment of subordinate teachers which together eventually has resulted in determining the status of schools categorized as i) Proactive Schools ii) Normal Schools and iii) Challenged Schools. (This categorization has been done by the researcher specifically for this study based on certain well considered factors). A proactive school is one which has an agreed vision and goals, purposeful teaching and high expectations for student learning. Proactive schools have stimulating and secure learning environments. Proactive schools provide ongoing learning opportunities for teachers to develop the skills, knowledge and dispositions necessary to reach to higher professional standards. These schools attract students based on their academic and extra-curricular initiatives. Normal schools are such schools which never faced any immediate external challenges like shortage of students. These schools are mostly government schools or private aided schools. The people at the helm of affairs of these schools are not proactive. The collective ambitions of normal schools are low. Challenged schools are those schools confronted with real challenge posed by the external environment on the normal functioning of the schools mainly due to falling demand for school admission, increasing faculty turnover, financial crunch, paucity of sufficient physical infrastructure and poor image among people in the surrounding vicinity. All these were causing a debilitating effect on these schools and hence the school's existence itself was challenged demanding a forceful closing down.

Based on the theoretical discussions made in the light of the already cited work and argument, one would expect that proactive schools (most effective or effective schools) are able to maintain their present position of distinction because of effective leadership and the resultant subordinate teachers' commitment towards their school apart from many other contributing factors. This argument would only carry weight, if one can substantiate that the plight of normal or challenged schools has been caused because of the ineffective or lack of leadership and its influence on organizational commitment. Again, if at all, leadership has any role to play to qualify a school as proactive or normal or challenged, which style of leadership style does it belong to? Is it transactional leadership or transformational leadership? It is interesting to investigate the above aspects and therefore the following hypothesis has been set.

Hypothesis (HO): There is no significant difference between the leadership style of headmasters and the organizational commitment of teacher's which are used to categorise the different school settings namely proactive schools, normal schools and challenged schools.

METHODOLOGY

Normative survey method was used for the present study as it is concerned with the conditions or relationships that exist, practices that prevails and views or attitudes that are held. The universe of the study pertains to all types of schools, both government and private (aided and unaided) in the state of Kerala. Eleven schools were selected from across Kerala state, falling under 3 categories viz; challenged schools, proactive schools and normal schools drawn from every stream like government schools, Aided schools and Private self-financing schools. The three challenged schools were identified on the basis of recent newspaper reports during the last one year. The two proactive schools were identified based on general feedback from the local community (different stakeholders) and also the feedback and opinion of parents and alumni. The six normal schools were identified based on convenience. These normal schools were in operation for at least 25 years or the administrators running these schools has the experience in operating schools for at least 25 years. The total teachers who rated their respective principals across 11 schools were 206 and they have a minimum work experience of at least one year. The mode of teaching in these schools is English/local vernacular. Out of three challenged schools, two were government schools and one an aided private school. The sample size of respondent teachers was 29. Among the two proactive schools both the schools were well to do self-financing private schools where there is a continuous rush for admissions and a premium price for securing an admission which the aspirants or their parents are willing to pay. The sample size of respondent teachers was 32. Among the six normal schools, three were private self-financing schools but not proactive in their curriculum and extra-curricular activities, one was a government school and the remaining two were aided private schools. The sample size of respondent teachers was 145.

Measurement tools

The Organizational Commitment (OC) of school teachers was measured using a self-report form developed by Mowday, Steers and Porter (1979).The questionnaire had15 items. A 5 point scale from strongly disagree (1) to strongly agree (5) was used to determine the responses. The respondents with a score of 5 have high OC. The transactional/transformational leadership scale developed by Bass M Bernard (1990, 1995, & 1997) was used to rate the leadership style of headmasters. The scale had 10 items. A 5 point scale from disagree (1) to agree (5) was used to determine the responses. A score of 5 indicates high levels of transformational leadership and a score of 1 indicates high levels of transactional leadership. The teachers in their respective schools who answered the self-report form on OC had to rate their school principal on his leadership trait. The principal is eligible to be rated by his sub-ordinate teachers provided he has been in office for a period of at least six months.

DATA ANALYSIS: A baseline Discriminant Analysis (DA), using step-wise method is completed. The original grouped cases, correctly classified are 71.4 percent. The cross-validated grouped cases, correctly classified are 68.9 percent. The predictor variables are normally distributed and the Mahalanobis D square to the most likely group is not greater than the critical value of 9.21 (sig .01 & df 2 for step-wise method), but for ten cases. A separate DA was run eliminating the 10 cases and using the within group covariance matrix. The original group classified is 71.9% and the cross-validated grouped cases correctly classified are 70.4%. Hence a separate DA was not re-run eliminating the outlier cases and using the within group covariance matrix as the classification rate is less than 2%. For the full sample of 206 since the Box's M test of equality of covariance matrices is significant ($P<.05$), the DA was re-run using the separate group covariance matrix. The original group correctly classified is 73.3% which is more than 2 % of 71.4% obtained when DA was run using within group covariance matrix (target value was 72.828% in separate group covariance analysis). The researcher decided to proceed further, attempting to conduct the analysis with the full sample of 206 using separate group co-variance matrix.

In the DA using 206 samples, in the tests of equality of group means, the F value shows significance ($p<.05$) for the discriminant model as a whole rejecting the null hypothesis that the predictors have no impact in categorizing the dependent outcome. Further results of discriminant analysis include 2 variables viz; organisational commitment (OC) and Transformational Leadership (TTL). The predictor variables are not having multi-co linearity (Table 1).

Table :1 Variables in the analysis for DA

Variables in the Analysis					
Step		Tolerance	Sig. of F to Remove	Min. D Squared	Between Groups
1.00	TTL	1.00	0.00		
2.00	TTL	0.89	0.00	0.00	Challenged and Normal
	OC	0.89	0.00	0.02	Challenged and Proactive

Discriminant analysis (DA) is relatively robust even when there is modest violation of equality of covariance assumption (Lachenbruch, 1975). The dichotomous variable, which often violate multivariate normality, are not likely to affect conclusions based on DA (Klecka, 1980).

Table: 2 Wilks' Lambda for DA

Wilks' Lambda									
Step	Number of Variables	Lambda	df1	df2	df3	Exact F			
	Statistic	df1	df2	Sig.	Statistic	df1	df2	Sig.	Statistic
1.00	1.00	0.68	1.00	2.00	203.00	47.26	2.00	203.00	0.00
2.00	2.00	0.57	2.00	2.00	203.00	32.86	4.00	404.00	0.00

Table: 3 Group statistics for DA

Group Statistics					
		Mean	Std. Dev	Valid N	Mean Difference
					between groups
Challenged	OC	3.79	0.28	29.00	Nil
	TTL	43.00	6.33	29.00	Nil
Proactive	OC	4.48	0.35	32.00	0.69
	TTL	43.88	3.97	32.00	0.88
Normal	OC	3.78	0.50	145.00	-0.70

	TTL	33.94	6.85	145.00	-9.93
Total	OC	3.89	0.52	206.00	Nil
	TTL	36.76	7.74	206.00	Nil

High TTL (total Score 50) indicates transformational leadership and low score near to 10 indicates transactional leadership. High score on OC (total 5) indicates high organisational commitment.

RESULTS

In the reliability statistics, the Cronbach's Alpha based on standardised items of a scale for the variable Organizational Commitment (OC) is 0.84 and for Transactional, Transformational Leadership (TTL) is 0.88 which are greater than 0.7, as recommended by J.C. Nunnelly (1978). Hence the constructs can be used together as a scale. The maximum difference between the group mean scores is for the variable, Transactional/Transformational leadership (TTL) (9.93) and the minimum difference is 0.69 for the variable, Organizational Commitment (OC). The difference between the group means, for the predictor variables, is greater than 0.5, when the distances are calculated from the challenged schools to proactive schools and from proactive schools to normal schools, which is good (table 3 and 4). The structure matrix is of any value in interpretation of categories only if its value is greater than 0.30.Using the structure matrix the predictor variables strongly associated with discriminant function challenged schools to proactive schools, which helped to distinguish proactive schools from challenged schools are organisational Commitment (OC) (0.67) and Transactional/Transformational leadership (TTL) (0.93) (table 3 & 6). Based on the structure matrix the predictor variable strongly associated with discriminant function normal schools which is used to distinguish normal schools from proactive schools is organizational Commitment (OC) (0.74) (table 6).Both the predictor variables selected in the model as seen in the structure matrix to categorise proactive schools from challenged schools and normal schools from proactive schools, has differences between group mean scores, greater than 0.65. Hence, the overall perceived attitudes of respondents around OC and TTL are able to create the dependent outcome groups, Challenged schools, proactive schools and normal schools. These factors together are responsible for a classification rate which is at 73.3 percent (table 3 & 6).

The standardized canonical discriminant function coefficient for OC is 0.4 and TTL is 0.79 to the dependent variable, proactive schools from challenged schools. OC is 0.98 and TTL is -0.71 to the dependent variable, normal schools from proactive schools (table 5).

The prior probability of classification of the dependent outcome for three categories is 33 % which has been enhanced by over 25 % after using the two predictor variables OC and TTL. The exact validated grouped cases correctly classified are 73.3 % which is 222 % from the initial 33% indicating that discriminant analysis was a success.

The improvement in classification of challenged schools is 251%, that of proactive schools is 246% and that of normal schools is 211% from running the discriminant analysis (the basic requirement is only 25%). The exact classification rate of challenged schools classified as challenged schools is 82.76%. The proactive schools correctly classified as proactive schools are 81.25%. The classification of normal schools as normal schools is 69.66 % (Table 7).

Table: 4 Eigen values for DA

Eigen values for DA				
Function	Eigen value	% of Variance	Cumulative %	Canonical Correlation
Challenged to proactive	0.52	76.62	76.62	0.58
Proactive to normal	0.16	23.38	100.00	0.37
a. First 2 canonical discriminant functions were used in the analysis.				

Table: 5 Standardized canonical discriminant function coefficients for DA

Standardized Canonical Discriminant Function Coefficients		
	Function	
	Challenged to Proactive	Proactive to normal
OC	0.40	0.98
TTL	0.79	-0.71

Table: 6 Structure matrixes for DA

Structure Matrix		
	Function	
	Challenged to Proactive	Proactive to normal
TTL	0.93	-0.38
OC	0.67	0.74

Table: 7 Classification table for DA

Classification Results(a)					
		Predicted Group Membership			Total
		challenged	proactive	Normal	challenged
Original count	challenged	24.00	2.00	3.00	29.00
	proactive	4.00	26.00	2.00	32.00
	Normal	25.00	19.00	101.00	145.00
%	challenged	**82.76**	6.90	10.34	100.00
	proactive	12.50	**81.25**	6.25	100.00
	Normal	17.24	13.10	**69.66**	100.00
a.73.3% of original grouped cases correctly classified.					

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DISCUSSION: In **challenged schools** (on the verge of closing down) and normal schools (no external threats) OC is lower than proactive private schools. The OC in challenged school is relatively very low due to poor school climate. In normal school where there is no survival issue or good school climate, OC is same as in challenged schools. In challenged schools and proactive schools, there is transformational leadership (high TTL). TTL is high in challenged school for survival as this behaviour has facilitated the school to turn around and in **proactive** schools high TTL is due to high OC (mean score 4.48), a good school climate which is an outcome of a vision (rejecting H0). OC and TTL vary as and when the situation demands in different school setting.

When explaining the role of leadership on OC, it is found that leadership accounts for a significant amount of the variance in commitment, as seen in proactive schools (Glisson, 1989).However in challenged schools OC is low Inspite of having a high transformational leadership because in this school the organizational setting, such loyalty (commitment) and feelings of attachment are absent as individuals fail to share values in common with other members of the group. This lack of identification expressed through the adoption of organizational goals, being absent as individuals fail to take pride in the organization, do not participate with intense interest in its activities and do not speak positively about their connection with the organization (Etzioni, 1975, Cruz, 1995, Depasquale, 1996; Meade, 1994; Yakmalian, 1995). In the normal school setting since there is no any external threat the transformational leadership (mean score 33.94) and organisational commitment (mean score 3.78) is relatively low. This line of thinking is a further substantiation of various studies which connects the role of transformational leadership and Organisational commitment and their variability in different school settings or environmental context.

SCOPE FOR FURTHER RESEARCH

The future studies should address the following issues. The influence of headmaster's leadership on teacher's organisational commitment is not conforming to the stated hypothesis (rejecting H0) and together these variables are successful in categorizing schools, but the role of other environmental factors like quality of school climate is not studied. Is transactional leadership beneficial when the environment is favourable to the organization (for instance, in the case of Normal Schools)? Or is it always apt for organisational leaders to be proactively transformational leaders? In the unique scenario (context)which is found in Kerala i.e., due to the special terms of appointment for school teachers, their service rules and pay structure in normal schools, can transformational leadership effectively be practiced? What is the motivation for such normal schools to be proactive or are there issues worth further pursuing? It is generally agreed that in terms of leadership, organizational structure, diversity of goals and resources, job attitudes, behavioural intentions and organizational commitment, there are noticeable differences between challenged schools, proactive schools and normal schools. What leadership practices will narrow down these differences? How can public (govt) school and aided schools consuming scarce government resources be made beneficial to the society at large? The above issues are worth exploring for arriving at conclusive evidences regarding the various factors defining the very status and destiny of different types of schools in the state of Kerala.

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CHALLENGES BEFORE GLOBAL MARKETERS-CULTURAL ISSUES

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Trends of marketing vary from country to country and are greatly influenced by that country's culture. Good marketing decisions requires the planning and coordination of marketing resources and the integration of the marketing mix to achieve a desired result in markets selected for targeting by the business

Introduction:

One of the dramatic trends in recent decades has been the rapid growth of international businesses. To survive in this competitive world now it's become inevitable for everyone to think global in local, irrespective of the industry. Choosing not to participate in global markets is no longer an option. All firms, regardless of their size, have to craft strategies in the broader context of world markets to anticipate, respond and adapt to the changing configuration of these markets. The expansion of business overseas has not only created new opportunities, but also created new challenges and problems related to business operation in different economic, technological, political, social and cultural environment.

Trends of marketing vary from country to country and are greatly influenced by that country's culture. Good marketing decisions requires the planning and coordination of marketing resources and the integration of the marketing mix to achieve a desired result in markets selected for targeting by the business. The business's offers are tailored through marketing decisions in terms of product line, place, pricing elements and sales promotions to match the perceptions of value of its target market. In some ways business markets are similar to consumer markets since they both involve people who assume buying roles and make purchase decisions to satisfy needs. Both business markets and consumer markets are greatly influenced by cultural trends.

Cross cultural marketing:

Culture is the primary factor affecting the way in which individuals and societies respond to the environment. The cultural landscape is the man-made landscape as an expression of the response of a culture to its natural surroundings. The way of life of a people, including their attitudes, values, beliefs, arts, sciences, modes of perception, and habits of thought and activity. Cultural features of forms of life are learned but are often too pervasive to be readily noticed from within.

Cross-cultural marketing is defined as the strategic process of marketing among consumers whose culture differs from that of the marketer's own culture at least in one of the fundamental cultural aspects, such as language, religion, social norms and values, education, and the living style. Cross-cultural marketing demands marketers to be aware of and sensitive to the cultural differences; to respect the right to culture by the consumers in various cultures and marketplaces, marketers should understand that they deserved the right to their cultures. If the marketers want to be the winners in the cross-cultural marketing they must create the marketing mix that meets the consumer's values on a right to their culture.

Globalization has become inevitable process, and so is the cross-culturalization. On the one hand, the world is becoming more homogeneous, and distinctions between national markets are not only fading but, for some products, will disappear altogether. This means that marketing is now a world-encompassing discipline. However, on the other hand, the differences among nations, regions, and ethnic groups in terms of cultural factors are far from distinguishing but become more obvious. It is suggested that the claims for "a right to culture" by national states in recent years can be important criteria for trade policy making, intellectual property rights protection, and the resource for national interests. The last summit of francophone nations in the 20th century called for a "Cultural exception" in GATT/WTO rules governing trade of goods. From a marketing point of view it is very important for marketers to realize that as the world becomes globalize the cultural imperative is upon us; markets in the 21st century are world and yet cross-cultural markets. To be aware of and sensitive to the cultural differences is a major premise for the success of the business.

Role of Cross Cultural Issues

The cross-cultural issues will provide more challenges and opportunities to the marketers in the 21st Century although they might not be totally new in the marketing area. There are many unsolved problems or issues that need to be solved and discussed by the scholars and marketing professionals in theories and in practice.

- Culture impacts on marketing (international versus domestic)
- Cross-cultural dimensions of marketing research
- Cross-cultural aspects of marketing mix (products, price, promotion, and distribution)
- Cross-cultural marketing education and professional training
- Cross-cultural practice in electronic marketing.

Cultural Issues in Global market place

Understanding the culture in a country or region in which you are doing business is a critical skill for the international marketing. Preparing for a business meeting requires a working knowledge of the information to be discussed or presented, careful attention to all details on the printed material to be distributed, and perhaps a gift. This gift is a social gesture that may be expected in some countries, and could be considered a bribe in others. Knowing the gift guidelines for the country you'll be visiting will help make your meeting a success. Following are some major issues need to be considered in global market.

1. Altering the features of a products to suit the consumers:

Ex: is the leading mobile brand Nokia. Nokia also recognized the growing importance of rural customers in the Indian mobile telephone market which grew from a mere 300,000 subscribers in 1996 to a whopping 55 million subscribers in 2004. Nokia introduced its dust-resistant keypad, antislip grip and an inbuilt flash light. These features, albeit small, appealed to a specific target of truck drivers initially and then to a broader segment of rural consumers. These features endeared Nokia to the Indian consumer as Nokia displayed a genuine commitment in responding to local customer needs another classic example from the Indian market: Kellogg's. When it first made inroads into the Indian market, it flopped. Reason - Indians value their hot, freshly-prepared breakfast. An Indian mother would literally consider it to be a crime to send her kid to school without a glass of hot milk. Kellogg's on the other hand was marketing something which was totally opposite to this - ready-to-eat corn flakes, to be eaten in COLD milk. If you'd pour hot milk on it, it'd turn soggy. Result - the brand flopped.

Thankfully, Kelloggs realized their error and re-entered the market later, this time, better-prepared. They had re-engineered their flakes to be crunchy even in hot milk. And they marketed it to the right audience - urban, dual-income households - where breakfast time was usually chaotic, with the mother being pressed for time. This time, it worked

2. Culture's impact on branding:

When some of the world's biggest brands expand beyond their home markets, they are tempted to repeat their tried and tested formula in the new market as well. In fact this has been the path followed by many brands. The assumption in such a case is that customers would be too eager to consume the great brand because of its authenticity, heritage and associations. But this tendency is gradually changing as global companies are learning about the unique needs of the customers in different markets along with the pressures of lifestyle, economic and cultural conditions. Cultural differences are indeed a major factor that has an impact on the success or failure of a brand. As brands enter different cultures, it becomes imperative for them to carefully tread the standardization-customization continuum wherein they not only manage to retain the inherent brand identity which is the very reason for their acceptance across markets, but also adopt the brand elements (images, advertising, channels, and others) to appeal to the local tastes and preference of customers.

Ex: KFC AND McDonald's-A model of blended culture:

KFC and McDonald's have absorbed the Chinese cultural elements of showing respect, recognition, understanding, assimilation and amalgamation, while maintaining the substance of the Western culture of efficiency, freedom, democracy, equality and humanity. This inter-cultural management mode, with American business culture at the core, supplemented by Chinese traditional culture, provides reference for international enterprises which need to adjust, enrich and reconstruct their corporate culture to enhance local market flexibility. KFC and McDonald's use the localization strategy to re-express American business culture, with profound traditional Chinese cultural emblems, catering to local customs on the basis of standardized management.

3. Product names to suit the culture of the country:

Product Naming: Business men should consider the auspicious nature of words and their cultural meaning when marketing products in Asia Pacific. Rumors abound of the marketing blunders of major US companies like Chevrolet and the Nova's poor sales in Mexico. This blunder has been proven incorrect. Conversely, some US companies have carefully considered the words used in advertising their products and have experienced many years of success in Asia. In 1928, the Coca-Cola Company introduced Coke to China and the company had correctly evaluated the worldview and auspicious nature of the word they used in marketing Coke. The four Chinese symbols Coke used literally translate "to allow the mouth to be able to rejoice," and were conceptually accepted to mean "something palatable from which one receives pleasure".

Careful Translation of product names : Marketers should not rush the introduction of products to simply have the product in stores before they have spent adequate time in language and cultural acquisition. Just because you can translate words or even phrase from one language to another, does not insure that you have adequately captured the cultural context of the phrase.

Country specific products:

Ex: Unilever is a classic example of a global brand which has pioneered serving the locals with products that address the local sensitivities. Unilever's Indian subsidiary Hindustan Uniliver Limited (HUL) has been the leader in Fast moving consumer goods in India.

4. Culture's impact on advertising:

The global-local paradigm is a paradox. one cannot think globally, every human being thinks according to his or her own culturally defined thinking pattern. one can act globally,and that is what global companies do. when they globalise, they produce and distribute globally, which demands many strategic decisions and global marketing communications, companies use the systems of one culture to develop advertising for other cultures. there is no adequate global language for reaching global consumers. what is needed is a new language to understand what moves people of different cultures and systems that understand the differences and find the real similarities, which are few and far between.

As a start, marketers have to learn to see the value paradoxes in the global market place and to understand them.communication Considers the environmental differences that may need to be considered when marketers enter into a new country such as media restrictions such as,advertising images, particularly nudity, indecent language, and sexist images were perceived as major reasons for advertising restrictions. The local language and culture is very important to create a great impact Because of every marketing promotion has done to promote the product i.e. communicating product feature to the customers and influence customers to buy it.

Culture's impact on deal making

- An American executive may say to a proposal by saying, "That's difficult", means the door is still open for further discussion- may perhaps mean that the other side should sweeten its offer.
- When a Japanese says, "That's difficult" he is clearly indicating that the proposal is unacceptable.
- In Asia, people may be reluctant to say a direct and emphatic "no", even when that is their intention.
- Americans and Canadians may find it perfectly appropriate to conduct business discussions at lunch, but, Brazilian and Mexican executives may consider serious business deal to be totally out of place.
- Most westerners expect a prompt answer when they make a statement or ask a question.
- Japanese, on the other hand, tend to take longer to respond, sometimes punctuated with periods of silence.
- This cultural perspective makes Americans to interpret the Japanese silence as rudeness, lack of understanding, or a tactic.
- Typically, the American response in such a situations is to fill the void with words by asking questions, offering further explanations, or merely repeating what they have said already.
- This response to silence makes the Japanese feel that they are being bombarded by questions and proposals without being given adequate time to respond.

Ten ways that Culture Affects in Deal Making

a. Business Goal: Contract or Relationship?

- Americans believe a signed contract is a definitive set of rights & duties that strictly binds the two sides.
- Asian deal makers believe that the essence of the deal is the relationship itself.

b. Negotiating attitude: Win-Lose or Win-Win?

- In International deals, cultural attitudes toward business secrecy complicate the process.
- Typically, American companies disclose business information; where as French companies tend to tightly hold the information.

c. Personal Style: Informal or Formal?

- Personal style concerns the way a negotiator talks to others, uses titles, dresses, speaks, and interacts with other persons.
- For an American or a Spaniard, calling someone by the first name is an act of friendship and therefore a good thing.
- French have an informal style, unlike Germans and the Japanese who are more formal.

d. Communications: Direct or Indirect?

- Some cultures emphasize direct methods of communication', while others on indirect and complex methods.
- Americans and Israelis believe very strongly in direct form of communications.
- Japanese, Egyptians use indirect method & they believe that Americans and Israelis are aggressive and treat it as an insult.

- While Israelis view indirectness with impatience and suspect them of insincerity.

e. **Sensitivity to Time : High or Low?**

- Germans are punctual, Latinos are habitually late, Japanese negotiate slowly, and Americans are quick to make a deal.
- For Americans, the deal is a signed contract and time is money, so they make the deal quickly.
- The Japanese and other Asians, whose goal is to create a relationship, rather than simply sign a contract---invest time to embark on a long–term relationship.

f. **Emotionalism: High or Low?**

- Japanese and other Asians hide their feelings during the deal.
- Germans and English rank as least emotional
- Latin Americans and Spanish groups show their emotions during the deal.

g. **Form of agreement: general or specific?**

- Generally, Americans prefer very detailed contracts that attempt to anticipate all possible, circumstances and eventualities, no matter how unlikely--- why?
- Because the deal is the contract itself, and one must refer to the contract to handle new situations that may arise.
- Other cultures, such as Chinese, prefer a contract in the form of general principles rather than detailed rules---why?
- Because it is claimed that the essence of the deal is the relationship between the parties. If unexpected circumstances arise , the parties should look to their relationship, not the contract, to solve the problem

h. **Building on Agreement: Bottom up or Top Down?**

- An agreement may start on general principles and proceed to specific items, or it begins with agreement specifics, such as price, delivery date, and product quality, the sum total of which becomes the contract.
- French prefer to begin with agreement on general principles, while Americans tend to seek agreement first a specifics.
- Building down approach begins with maximum deal if the other side accepts all the stated conditions.
- Building –up approach-one side begins by proposing a minimum deal that can be broadened and increased as the other party accepts additional conditions..
- Americans prefer building down approach and Japanese prefer building –up style.

i. **Team Organization 'one leader or Group consensus?**

- One extreme is the business deal team with a supreme leader who has complete authority to decide all matters.
- Many Americans tend to follow the approach.
- The Japanese, the Chinese stress on consensus decision-making.

j. **Risk Taking: High or Low?**

- Japanese with their emphasis and requiring large amount of information and group decision –making process, tend to be risk averse, Americans are risk takers.

Table:1-Comparision of Americans and Chinese/Japanese cultural values in deal making:

Negotiating factor	Americans	Chinese/japanese
Goal	Contract	relationship
Attitudes	Win/loose	Win/win
Personal styles	Informal	formal
communication	Direct	indirect
Time sensitivity	High	low
Emotionalism	High	low
Agreement form	Specific	General
Agreement building	Bottom up	Top down
Team organization	One leader	Consensus
Risk taking	High	low

2. Gifts: Some multi-national companies and some governments have very strict policies regarding their employees accepting gifts. To avoid creating a problem, it's imperative you learn the policies for the companies you do business with. Countries like Malaysia and Paraguay, concerned with corruption, frown upon any gift that could be construed as a bribe. In Malaysia you wouldn't give a gift until you had established a relationship with the person. In Singapore, government employees are not allowed to accept gifts, and the United States limits the acceptable dollar value to $25. However, in some countries like Japan, Indonesia and the Philippines, exchanging gifts is strongly rooted in tradition. Part of the tradition is the gracious style used to present and receive them. It's important to plan time and focus on the process. It's very important in Asia and the Middle East to only use your right hand, or both hands, to offer or accept a gift. In Japan and Hong Kong, use both hands. In Singapore a recipient may "graciously refuse three times" before accepting your gift. But in Chile, gifts are accepted and opened immediately. And in Indonesia, small gifts are given on a frequent basis. Always be cognizant of religious laws when selecting gifts. For instance, pork is prohibited in the Jewish and Muslim religions, so you wouldn't select a gift made from pigskin. As in India, don't offer a gift made from cowhide. Another prohibition for the Muslim faith is alcohol. A standard to keep in mind for any gift you select is quality. Choose quality items that are not ostentatious. If you have gifts with your company logo, it's better if the logo is discreet. And don't give company logo gifts in Greece, Spain and Portugal. Hosting a meal at a nice restaurant is always a good business practice. A fine dinner is a wonderful way to give a "gift to your hosts", to show your guests you appreciate the business relationship you have with them, and an opportunity to build rapport. People in Brazil, England, Panama, and Peru enjoy being invited guests for a meal, and the Greeks look forward to an evening filled with dining. In China, plan a banquet, especially if you are being honored with one.

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a. Countries in which a gift is expected:

- Europe – Czech Republic, Poland, Russia, Ukraine
- Latin American – Bolivia, Columbia, Costa Rica
- Pacific Rim – China, Hong Kong, Indonesia, Japan, Korea
- Taiwan, Malaysia, Philippines, and Thailand,india

b. Countries in which a gift is not expected on the first visit, but would be expected on a subsequent visit:

- Europe – Portugal, Spain
- Latin American – Brazil, Chile, Guatemala, Nicaragua, Panama,
- Peru, Venezuela
- Pacific Rim – Malaysia, Singapore
- Scandinavia – Finland, Norway

c. Countries in which a gift is not expected or gifts are less frequent exchanged:

- Africa
- Australia
- Europe - England, France, Hungary, Italy
- Latin America - Uruguay
- Scandinavia – Denmark
- Middle East – Pakistan, Saudi Arabia
- United States

3. Process of Negotiation:

When negotiating in Western countries, the objective is to work toward a target of mutual understanding and agreement and 'shake-hands' when that agreement is reached - a cultural signal of the end of negotiations and the start of 'working together'. In Middle Eastern countries much negotiation takes place leading into the 'agreement', signified by shaking hands. However, the deal is not complete in the Middle Eastern culture. In fact, it is a cultural sign that 'serious' negotiations are just beginning. Imagine the problems this creates when each party in a negotiation is operating under diametrically opposed 'rules and conventions.' This is just one example why it is critical to understand other cultures you may be doing business with - whether on a vacation in a foreign country, or negotiating a multi-million dollar deal for your company.

4. Meetings:

While meeting with the delegates, In America or western countries people greet each other by a kiss and in japan they bow and in other countries they shake hands. Merely saying hello or namasthe with hands together will do in countries like india. But in common hand shakes are commonly used to greet the other person.

5. Unspoken language:

Unspoken language refers to nonverbal communication. We all communicate with each other by a host of nonverbal cues. The raising of eyebrows, for example, is a sign of recognition in most cultures, while a smile is a sign of joy. Many nonverbal cues, however, are culturally bound. A failure to understand the nonverbal cues of another culture can lead to a communication failure. For example, making a circle with the thumb and the forefinger is a friendly gesture in the United States, but it is a vulgar sexual invitation in Greece and Turkey. Similarly, while most Americans and Europeans use the thumbs up gesture to indicate that it is all right, in Greece the gesture is obscene.

Another aspect of nonverbal communication is personal space, which is the comfortable amount of distance between you and someone you and someone you are talking to. In the United States, the customary distance apart adopted by parties in a business discussion is five to eight feet. In Latin America, it is three to five feet. Consequently, many North Americans unconsciously feel that Latin Americans are invading their personal space and can be seen backing away from them during a conversation. In turn, the Latin American may interpret such backing away as aloofness. The result can be a regrettable lack of rapport between two businesspeople from different cultures.

Remedies for Cross cultural marketing mistakes:

In terms of marketing practice, the following points should be guidelines for marketers to minimize the possible cross-cultural marketing mistakes:

- Develop cultural empathy (recognize, understand, and respect another's culture and difference)
- Should be culturally neutral and realize that different is not necessarily better or worse
- Never assume transferability of a concept from one culture to another
- Get cultural informants involved into the decision-makings.

From the anthropological perspective all market behaviors are culture-bound. Both consumer behavior and business practices are performed to a large extent by the culture within which they take place. Therefore, in order to match the marketing mix with consumer preferences, purchasing behavior, and product-use patterns in a potential market, marketers must have a thorough understanding of the cultural environment of that market, i.e., marketing cross-culturally. However, this is by no means to suggest that in the 21st century all marketers should focus on cultural differences only to adjust marketing programs to make them accepted by the consumers in various markets. In contrast, it is suggested that successful marketers should also seek out cultural similarities, in order to identify opportunities to implement a modified standardized marketing mix. To be able to skillfully manipulate these similarities and differences in the worldwide marketplaces is one of the most important marketing strategies for businesses in the 21st Century.

As discussed above, marketing cross-culturally requires that marketers determine the cultural viability of markets. To determine the cultural viability of market means that the marketers should positively identify cultural factors that can be used to facilitate the marketing program in the targeted markets. These factors may or may not exist in the targeted markets; a successful marketer is able to make use of those already existent factors while create other non-existent factors. The classic anthropological theory suggests that while all human behaviors, including market behaviors, take place within a cultural context, human beings are able to influence and even change, through their behaviors, the cultural context within which their behaviors take place.

Accordingly, not only does culture influence marketing; but marketing also influences culture. Marketers can act as agents of changes within a culture. The interactions between marketing and culture can be examined from three perspectives. First, culture defines acceptable purchasing and product-use behavior for both consumers and business. Example in business gift as a culture where a business gift is expected but not presented, it is an insult of to the host. In countries where gifts generate an obligation, such as in Japan, it may be beneficial to engage in the practice. Yet, in other cultures, offering a business gift could be misinterpreted as inappropriate, thus offending the recipients. Secondly, each element of culture influences each component of the marketing mix. Promotion, for instance, is strongly influenced by the language. Product acceptance is affected by culturally based attitudes towards change. And distribution is influenced by social institutions, such as kinship ties. Thirdly, marketing also influences culture, especially by contributing to cultural borrowing and change. In the long run, as more markets become global and standardization of marketing mix increases, the rate of cultural changes will also increase.

Nonetheless, cultures may change slowly, and specific products many meet with protracted resistance. Therefore, the primary task for marketers is to locate the similarities in various markets and strategically make them available for entering into the new markets cross-culturally. Marketing cross-culturally is a process during which marketers need to continuously adjust their behaviors and marketing programs to fit into the targeted markets. However, when entering foreign markets, marketers frequently fall into the trap of the self-reference criterion, the unconscious application of one's own cultural experiences and values to a market in another culture. Even more dangerous than self-reference criterion is ethnocentrism, the belief that one's own culture is superior to any other. It is important for the marketers know that there is no room for ethnocentrism in the 21st Century marketing practice.

Conclusion:

On the basis of the above discussion it is imperative that, understanding cultural differences of various countries is very important for a marketer to operate in global market scenario. Such knowledge will definitely give a strategic competitive edge by which company can distinguish itself from that of high caliber competitors. Companies need to build awareness about different cultures; the amount of effort needed to do this depends on the similarity between different countries and the type of business operation which has undertaken. Although increased contact among people is evoking more wide spread cultural similarity among different nations, people nevertheless tend to hold on to their basic values. These values are bolstered by efforts to protect cultural separateness and national identity. International companies must evaluate their business practices to ensure they take into account national norms in behavioral characteristics. Smaller cultures will be absorbed by national and global ones, subcultures will transcend national boundaries. Cultures are becoming more similar; in some respects but not in others.

Marketers need to study the nation's culture, ethnic groups, religions in the area of operation otherwise the products/services

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need to stand out of the competition. It is not only the country specific even the small geographical area where there are branches of business or area of operation, the study of the culture is essential. Apart from customers marketer need to consider cultural background of all the stake holders of the company and competitors in the market. By overcoming the barriers of the cross cultural issues the business will surely gain the market share in that geographical area.

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MANAGERIAL SUCCESS THROUGH EFFECTIVE LEADERSHIP: AN OD INTERVENTION IN INDIAN PERSPECTIVE

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Leadership is to be structured in terms of totality of functions performed by executives as individuals and as a group. The two forms of leadership styles are not entirely mutually exclusive; leaders are not necessarily one or the other, but both.

INTRODUCTION :

Exploring a leader's role and operating leadership style in an organization gives an understanding of organizational dynamics, its culture, its structure, its various systems, interlinkages, hierarchical levels and associated processes. In the introduction to a recent issue of the Journal of Applied Behavioral Sciences, the Editor(R. E. Kaplan) tells us that" leadership entails not just a change of behavior but also a more fundamental change in character and identity". Leadership is the process of influencing the behavior of others to work willingly and enthusiastically for achieving predetermined goals. The successful organization has one major attribute that sets it apart from unsuccessful organization is dynamic and effective leadership.

Research on transformational leadership (Bass, 1985, 1990, Trichy and Devanna, 1986, Teppar, 1993, Keller, 1992, Chatterjee, 1997, Zohar, 2001) has identified several characteristics of leadership. These become relevant to the degree to which organizations are transformational or transactional. The central theme of this work has been the study of style and value profile of leaders, which builds the organization. Transactional leadership is reported (Bass, 1990) to be a prescription for mediocrity and transformational leadership is supposed to lead to superior performances in organizations facing demands for renewal and change. In summary, the overall evidence indicates that transformational leadership is more strongly correlated than transactional leadership with lower turnover rates, higher productivity and higher employee satisfaction. Most experimental research, unfortunately, has focused on transactional leadership (Hollander, 1978), whereas the real movers and shakers of the world are transformational leaders.

Although both types of leaders sense the felt needs of their followers, it is the transformational leader who raises consciousness (about higher considerations) through articulation and role modeling. Transformational leadership occurs when leaders and followers raise one another to higher levels of motivation and morality. Transactional leadership use style and techniques of the kind already described to clarify task requirements and ensures that subordinates are rewarded for appropriate behavior and performance. Transformational leadership on the other hand, concentrates on articulating a vision and mission, creating and maintaining a positive image in the mind of employees (Burns, 1978). According to the accepted view (Bass, 1985) transactional and transformational leadership should not be viewed as opposing approaches to getting things done. Leadership is to be structured in terms of totality of functions performed by executives as individuals and as a group. The two forms of leadership styles are not entirely mutually exclusive; leaders are not necessarily one or the other, but both. The transformational leaders perceive their capability basically in terms of managing human beings through empowering attitude, team building and evoking a sense of confidence, visioning, modeling/Inspiring, setting standards and boundary

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management etc. These transformational functions should be appropriately coupled with transactional functions through entrepreneurial risk- taking, not losing balance, clarity of organizational goals and capability to plan for the future, policy making, developing systems, monitoring performances, coordinating, rewarding and coaching, synergising, developing talent/mentoring and building culture and climate.

Leaders instill a philosophy, provide new meaning to managerial actions and raise the collective consciousness of organizational members. Ironically enough, however the present industrial society seems to suffer from an unprecedented crisis of transformational leadership at the senior level, though they are performing satisfactorily on transactional leadership functions. Since, managerial styles are determined by a host of factors such as forces in corporate policy makers, existing culture and climate, degree of autonomy and discretion given to the senior managers, it is unlikely to expect a uniform leadership styles in every organizations.

STATEMENT OF THE PROBLEM

Senior managers are highly sensitive to the cultural nuances, unique to India and sought to incorporate culture-specific modes in bringing about transformation and change. A priority between transactional and transformational functions of leadership is emerging as a crucial challenge for managerial leadership for ensuring the sustained success to an organization in the highly competitive business environment. Leadership is the premier force governing success of any organization. In recent scenario increasing attention has been paid to how and when we perceive leadership to be important. Nevertheless, interest in leadership and in those qualities, which separate a successful leader from and unsuccessful one, remains unabated. Leaders must be supported by organizational culture and corporate management to have autonomy to serve in their own style as per need of the situation.

MAIN OBJECTIVES OF THE STUDY

- To study the priorities for transactional and transformational functions of corporate leadership assigned by the senior managers.
- To perform a macro-analysis of corporate leadership profile of the senior managers.
- To find out the dominant, dormant and backup dimensions/ functions of corporate leadership of senior managers.
- To study the relationship of demographic variables (age, education and experience) with various dimensions of corporate leadership.

METHODOLOGY

It is an exploratory investigation undertaken to explore the operating leadership style of managers belonging to senior management cadre in a select Indian organization. An interactive HRD workshop on "Actualizing Managerial Roles through Corporate Leadership" was conducted on fifty participants. On the first day numbers of participants were thirty and on the second day it was twenty. The timings of the workshop were from 10 a.m. to 1 p.m. and 2 p.m. to 5 p.m. with a lunch break of an hour. From the descriptive statistics based on Means and Standard deviation in regard to 14 dimensions of Corporate Leadership and Demographic Variables for 50 senior managers serving in organization belonging to public government sector, analysis and interpretation of the data has been carried out. The purpose was to examine the leadership effectiveness as a whole and the priorities assigned to transformational and transactional leadership functions by senior managers.

PROFILE REPORT OF THE RESPONDENTS

All participants were male members from technical backgrounds. All of them had B.Tech. degree and few of them had M.Tech ,degree also. A few of them were M.B.A. also. Their age ranged from 30 yrs to 57 yrs with a Mean value of 42.50 and SD of 7.68. They were holding the position of Deputy General Managers/General Managers. The study has covered 50 senior managers as respondents; composed of a comparatively small group of executives, i.e. top and the middle management and is responsible for the overall management of the organization by establishing operating policies and practices, and thereby governing organization and its interaction with the environment.

TOOLS USED

To measure corporate leadership the method enumerated by Pareek was used. We chose this method as this measure the two relevant leadership styles transactional and transformational separately and simultaneously.

SENIOR MANAGERIAL FUNCTIONS SCHEDULE (SMFS)

Senior Managerial Function Schedule (SMFS) developed by Udai Pareek was used for the study. SMFS consists of a list of fourteen a function (seven are transactional and seven are transformational) is as follows:

Policy making , Visioning, Planning , Modeling/inspiring, Setting standards, Developing systems, Monitoring performance, Boundary Management, Coordinating, Synergising, Rewarding, Developing Talent/mentoring, Coaching , Building culture and climate.

THE INSTRUMENT AND ITS ADMINISTRATION

Senior Management Functions Schedule is designed to find out which transactional and transformational functions are being given priority by senior managers in an organization. The instrument is meant for the top leaders/ senior managers.

SMFS consists of a list of fourteen functions (seven are transactional and seven are transformational.) The respondent is required to indicate the priority of his attention/time to different functions by distributing hundred points among the fourteen listed functions.

SCORING

Scores given to each function gauge the priority of the function. The responses of senior managers are added to give a profile of the group. The various functions can also be rated on a scale from 1 to 10, although forced distribution of hundred points gives a more authentic profile. The total of transactional functions (items number1, 3,6,7,9,11and13) and transformational functions (2,4,5,8,10,12 and 14) may also be calculated.

RELIABILITY

Cronbach Alpha for a group of 19 was found to be .94.

VALIDITY

Responses from a group of eighteen senior insurance managers were factor analyzed (principal components analysis with varimax rotation). Factor analysis produced six factors, explaining eighty-five percent variance. The factor analysis provides construct validity of the instrument.

Factors, 1, 3 and 5 contain seven transformational functions. These factors have been named HRD- institution building function, norm building function, synergising and boundary management function respectively. Three transactional factors are 2,4 and 6. They are, respectively, policy-system development, promoting excellence and coordinating.

ABOUT 14 DIMENSIONS OF LEADERSHIP FUNCTIONS

Leaders need to perform both transactional and transformational functions: (leaders include senior manager), a list of the main functions were prepared and classified into two groups: transactional and transformational.

TRANSACTIONAL FUNCTIONS:

Leaders have an obligation to get things done, ensure achievement of targets and maximize efficiency and effectiveness of various groups. Transactional function includes following dimensions:

POLICY MAKING

This is the important leadership function. The leader arranges to set priorities and directions for organizational work, and create linkages among several aspects of the organization. These are reflected in the policies developed as a guiding force in the organization. The policy comes out of the organization's vision and mission.

PLANNING

The next logical step is to plan various activities in order to translate policies into action. Planning involves working out detailed action steps, the needed resources, and contingency arrangements if a proposed action does not get done.

DEVELOPING SYSTEMS

Organizational leaders work towards institutionalization of practices and change. This can be done by developing systems on various aspects of the organization. Systems economize energy and lead to faster action like through management information system, budgetary system, human resource development system, reward system etc.

MONITORING PERFORMANCE

Managerial control of workforce requires effective monitoring, one of the most important functions of senior managers.

Monitoring is done against the accepted standards and agreed plans.

COORDINATING

When individuals and groups work in synergy, duplication is avoided and mutual support is ensured.

REWARDING

Senior managers reward good performance of exemplary behavior of individuals and teams. This reinforces their behavior, and also the behavior of others.

COACHING

One of the functions of senior manager is to guide their juniors through performance counselling and coaching. This includes helping them to know their own strengths and weaknesses, and improve their performance in future.

TRANSFORMATIONAL FUNCTIONS

While transactional functions are primarily concerned with achievement of tasks, transformational functions go beyond the immediate task and build individuals and groups and enable them to achieve targets that the organization or individual would never have expected. These functions increase power in the organization by empowering various groups and individuals. The following functions fall in this category:

VISIONING

The management cadre creates vision for the organization. Vision is the dream, which inspires people and makes them proud of working in the organization.

MODELING

A way to inspire people is to set a personal example of a desirable style and behavior. Behavior speaks louder than words. People are influenced by what they experience rather than what they are told to develop voluntary interest and commitment for organizational success.

SETTING STANDARDS

Quite close to modeling is the setting of standards or norms in the organization, like, standards of individual excellence, mutual support, creativity, innovation and concern for each other. High standards and norms inspire individual employees to follow them in their own work. Leaders are highly motivated persons who strive for their work force /followers and set high standards of performance for themselves and act in a way that provides followers with satisfaction.

BUILDING CULTURE AND CLIMATE

Senior managers pay major attention to building climate of excellence, commitment, mutual support, etc. They encourage analysis of various organizational practices, and pay attention to mechanisms, practices, and events etc that help to evolve a distinct culture for the organization.

BOUNDARY MANAGEMENT

The important function of top leaders is to create conditions conducive to better performance by various groups. This can be done by ensuring continuous availability of resources, supports from outside and from major customers. These external affairs roles, called boundary management, are more important for top management than internal roles pertaining to management of the business. Boundary management also includes developing a strong lobby and interlinkages for the organization.

SYNERGISING

The strength of an organization depends on the strength of its teams. Team building is one of the very important roles of management.

SEARCHING AND NURTURING TALENT

Competent, committed individuals with a larger vision are the ultimate strength of an organization. Top management must see this as one of their main functions. Senior managers pay attention to serve as mentor for the organizational employees.

PROCEDURE:

- After conceptual clarification of the concept of corporate leadership, respondents were requested to go through the instructions given on the questionnaire and put their queries before filling out, during the workshop. The respondents were assured that this was an academic exercise and their responses would be kept confidential and will be used for research purpose only. This assurance was further stated in the questionnaire .The facilitator kept an eye on the participants while they filled up their responses, so that no question was left un- responded or unanswered. The participants were asked to score their responses themselves.
- In the second phase, the facilitator checked their scores personally, by personally visiting each individual's desk, without collecting their answer sheets. Then facilitator asked each member of group to find out three highest i.e., dominant, dormant and backup scores among the 14 dimensions of corporate leadership of SMFS in this respect.
- In the third phase of survey feedback the subjects gave their reactions about the relevance of the items in the tools with their day-to-day functions. The results of the responses to the questionnaire were correlated and discussed to arrive at conclusions and suggestions.
- The fourth phase comprised of brainstorming sessions where group members were asked to suggest and give information and ideas regarding alternatives styles to be incorporated in the organizational system so that dormant dimensions (coaching, developing systems and rewarding) of transactional leadership functions and dormant dimensions (boundary management, synergising and modelling) of transformational leadership functions of SMFS identified in the workshop can be overcome.
- In the fifth stage, goals were mutually set by facilitator and the participants.

RESULTS AND DISCUSSIONS MACRO- ANALYSIS OF CORPORATE LEADERSHIP PROFILE

In order to project an empirical picture of the profile of transactional and transformational functions of senior managers of the organizations, Means and SDs on 14 functions were calculated and are presented in the tables.

TABLE. 1 PROFILE ANALYSIS OF CORPORATE LEADERSHIP IN REGARD TO VARIOUS TRANSACTIONAL FUNCTIONS OF SENIOR MANAGERS (n= 50)

S.No.	FUNCTIONS	MEAN	RANK	SD	RANK
1.	Policy making	8.32	2nd	2.71	2nd
2.	Planning	9.00	1st	2.86	1st
3.	Developing systems	6.84	6th	2.17	4rth
4.	Monitoring performance.	7.44	3rd	2.32	3rd
5.	Coordinating.	7.16	4rth	1.66	7nth
6.	Rewarding.	6.86	5th	1.73	6th
7.	Coaching	6.08	7nth	2.06	5th
	AVERAGE MEAN	7.38			

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TABLE. 2 PROFILE ANALYSIS OF CORPORATE LEADERSHIP IN REGARD TO VARIOUS TRANSFORMATIONAL FUNCTIONS OF SENIOR MANAGERS (n= 50)

S.No.	FUNCTIONS	MEAN	RANK	SD	RANK
1.	Visioning	8.48	1st	3.36	1st
2.	Modeling	6.48	5th	1.88	4rth
3.	Setting standards	7.88	2nd	2.20	2nd
4.	Boundary management	5.52	7nth	2.91	3rd
5.	Synergizing	6.06	6th	1.68	7nth
6.	Developing talent	6.80	4rth	1.74	6th
7.	Building culture and climate	7.08	3rd	1.75	5th
	AVERAGE MEAN	6.90			

PROFILE ANALYSIS OF CORPORATE LEADERSHIP IN REGARD TO VARIOUS TRANSACTIONAL FUNCTIONS OF SENIOR MANAGERS

Table .1 gives an overall picture of the responses 50 senior managers on various dimensions of transactional leadership functions. The interesting finding is that the group of senior managers had accorded the highest rank to the Planning (Mean=9.00), the II highest rank was accorded by the respondents to the component of Policy making (Mean=8.32, III highest rank was accorded to the dimension of Monitoring performance (Mean= 7.44) by this group and IV rank was accorded to Coordinating (Mean=7.16). The Coaching (Mean=6.08), Developing systems (Mean=6.84) and Rewarding (Mean=6.86) were accorded lowest, II lowest and III lowest ranks respectively. The Total Mean score and Average Mean score for Transactional Leadership were 51.7 and 7.38 respectively.

PROFILE ANALYSIS OF CORPORATE LEADERSHIP IN REGARD TO VARIOUS TRANSFORMATIONAL FUNCTIONS OF SENIOR MANAGERS

Table. 2 further depict an overall picture of the responses of 50 senior managers in regard to various dimensions of transformational leadership functions. It may be observed that the group of senior managers had accorded the highest value to Visioning (Mean = 8.48), followed by Setting standards (Mean = 7.88) and Building culture and climate (Mean =7.08). It would be further seen that lowest rank was accorded by this group to Boundary management (Mean=5.52), II lowest rank was assigned by this group to Synergysing (Mean=6.06) and III lowest rank was accorded to Modelling (Mean= 6.48) .It was observed that IV rank was accorded to Developing talent (Mean=6.80). The observed Total Mean value and Average Mean value for Transformational Leadership functions were 48.3 and 6.9 respectively.

VARIATIONS IN REGARD TO VARIOUS DIMENSIONS OF TRANSACTIONAL LEADERSHIP FUNCTIONS OF SENIOR MANAGERS

Table.1 reports standard deviations scores in regard to various components of transactional leadership functions of 50 senior managers. It is interesting to note that the three high scoring dimensions turned out to be Planning (SD= 3.86) followed by Policy making (SD=2.71) and Monitoring performance (SD= 2.32). IV rank was observed for Developing systems (SD=2.17). Lowest score was noted for Coordinating (SD= 1.66), II lowest rank has been observed for Rewarding (SD= 1.73) and III lowest rank was observed for Coaching (SD = 2.06).

VARIATIONS IN REGARD TO VARIOUS DIMENSIONS OF TRANSFORMATIONAL LEADERSHIP FUNCTIONS OF SENIOR MANAGERS

Table .2 further reports SDs of respondents on various functions of transformational leadership of 50 senior managers. It would be further seen that senior managers had accorded highest rank to Visioning (SD =3.36), which was followed by Setting standards (SD = 2.20) and Boundary management (SD = 2.91). It is interesting to note that managers had assigned lowest score to Synergising (SD = 1.68) II lowest value was observed for Developing talent (SD = 1.74) and III lowest rank was accorded to Building culture and climate (SD = 1.75). The dimension of Modelling (SD= 1.88) was placed at IV rank.

CONCLUSION

The research was conducted on a limited sample of fifty executives of a public sector undertaking organization, but the result gives an insight for application of the model on other such similar groups with suitable modifications. The analysis of the data throws up some pertinent issues for managers. The responses of senior managers were analyzed and deficiency areas were identified to suggest action plans for development of their efficiencies regarding performing roles. On the basis of results following conclusions can be drawn:

An overall picture of the responses of 50 senior managers on various dimensions of Transactional Leadership functions:

- The Dominant dimensions for the select group of participants were- Planning, Policy making and Monitoring performance.
- The Dormant dimensions for the select group of participants were- Coaching, Developing systems and Rewarding.
- The Backup dimension for the select group of participants was- Coordinating.

An overall result of the responses of 50 senior managers in regard to various dimensions of Transformational Leadership functions:

- The Dominant dimensions for the select group of participants were- Visioning, Setting standards and Building culture and climate.
- The Dormant dimensions for the select group of participants were- Boundary management, Synergising and Modelling.
- The Backup dimension for the select group of participants was- Developing talent.

Standard deviations scores in regard to various components of Transactional Leadership functions of 50 senior managers :

- The highest variability dimensions for the select group of participants were- Planning, Policy making and Monitoring performance.
- The lowest variability dimensions for the select group of participants were- Coordinating, Rewarding and Coaching.
- The moderate variability dimension for the select group of participants was-Developing systems.

Standard deviations of respondents on various functions of Transformational Leadership of 50 senior managers :

- The highest variability dimensions for the select group of participants were- Visioning, Setting standards and Boundary management
- ? The lowest variability dimensions for the select group of participants were- Synergising, Developing talent and Building culture and climate.
- ? The moderate variability dimension for the select group of participants was- Modelling.

SUGGESTIONS REGARDING COPING STYLES FOR DORMANT DIMENSIONS IDENTIFIED IN THE WORKSHOP

- If India has to catch up with the rest of the world, She needs more transformational leadership together with transactional one. There is an argument that applicability of management principles may be limited to a particular situation or culture. Indian organizations are generally top management centered, where not only middle and lower managerial cadre, but senior managerial cadre is also being closely supervised by the top management and only a limited degree of participation is allowed. For implementation of any transformation, the mode of intervention is critical, since no transformation can be a one-shot affair. It is a continuous process

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encompassing many phases, each phase having its own unique focus.

- Though subjects have all the potentials and skills for going ahead and meeting the targets of organizations, provided the barriers coming in their way are removed through appropriate interventions, as people in managerial positions complain repeatedly that they are held responsible for things over which they have little control.

- An insight into our cultural milieu and norms will help us evolve styles and management systems, which are best suited to corporate functioning. Over the years it has been observed that Indian organizations are caught in the dilemma of trying to reinvent them without discarding old modes of transacting business. Most of them chant the mantra of transformation however only a few are able to translate the intention into action. The most realistic example of this predilection may be observed in Indian government offices and factories where nothing is discarded. In the Indian context, it is certainly important that we search and take a close look at our culture and learn from the available elements of various models, to make some conscious choice about the type of organization we want to build, and the kind of systems we want to develop in the work organization.

- There should be essentially dyadic pattern of relationships between top and other levels of management in a relatively flat structure with fewer hierarchical levels, low formalization, wide spans of control, by loosening the organizational structure, giving operational autonomy and extending support to managers at the micro and macro level to function more effectively.

- The basic foundation of architecting in India is power differentiation and therefore Indian organizations are tall and pyramidal. Indian organizations are mostly procedure centric. There is low focus on innovation and excellence. Companies focus more on short term and quick gains rather than creating sustainable competitive advantage. Unfortunately in strategy crafting there is less focus on global perspective and benchmarking. The heavy thrust of strategy formulation is on defending rather than winning. Business organizations in India would be better off if we were to attempt to make the change at the root itself, evolve culturally and functionally to have perfect management system and leadership styles.

- Corporate transformation will pose question to the top management about the present culture and the type of culture, which should be developed in the future, it is more accurately described as simply an evolution from all that has gone before. To achieve cultural metamorphosis, Indian organizations need to encourage liberal thinking questioning mindsets, quest for experimentation and desire to innovate and constant renewal.

- It is with this equation that corporate will have to evolve a culture that motivates and equips its people to deliver quality. So CEOs must ensure that the corporate vision, mission statement, values, and targets are communicated clearly to all employees, equipping them with all the information, means and counseling they need to synchronize their actions with the company, they must extract their feedback using employee satisfaction surveys, and modify organizational systems accordingly. Top management must recognize that it has the responsibility and obligation to provide an environment in which an employee feels free to challenge the system to accomplish goals. Once the employee is committed, the techniques become easy. At the psychological level, working for such an organization increases self-pride, individual commitment and motivation.

- Enough attention should be paid to the process of managerial autonomy in the organization, taking steps to make work a source of development and growth for managers rather than being treated merely as an activity for which they are paid. The success; of the change strategy, therefore, also depends upon leaders' sensitivity, as well their capacity to respond appropriately. Managers have to be extremely concerned with environmental elements, like stakeholders, government, demographic changes, socio-cultural, economic, political, natural, technological and legal factors, shareholders, employees, customers, industrial groups, competitors, suppliers, trade associations, community, social responsibility and good corporate citizenship to incorporate these in the transacting business, since they contribute to achieving business excellence.

- The corporate priority in culture building, therefore will be juxtaposing the company's growth with the individual's growth, evolving in the process, new norms of career planning for its people that involve a partnership between the organization and the individual, so CEOs will have to nurture values that respect participative management.

- The above discussion suggests that management in India is marching fast towards corporate transformation, though a large part of it is still traditional. However, in the time to come, the process of professionalisation of management is likely to be faster because of the increasing complexity of managing business, which is not possible for traditional management, and also because of increasing availability of professionally trained managers.

LIMITATIONS OF THE STUDY

Scarcity of resources limits the horizon of any study, as researches have to restrict the size of the sample due to practical limitations. Corporate Leadership is multidimensional and each dimension of these variables are full unit in it self. Future studies dealing with the single dimensions are desirous. To further validate the findings a large number and varied organizations needed to be included into the sample. Other most obvious limitation of the research is that, the results will depend on how truly subjects respond to the questionnaires.

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GROWTH PROSPECTIVE OF INDIAN TELECOM INDUSTRY: INFLUENCING BY TRAI

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The Indian mobile industry has stimulated for its hyper growth mode, it is said that the industry continues to grow at double-digit rates for the coming years as the operators are focusing on the rural parts of the country. According to the sources Mobile market penetration is anticipated to increase from 38.7 percent in 2009 to 63.5 percent in 2013. Due to the earlier global slowdown may have affected India as well, with news of significant job cuts across various sectors. but, one sector continues to boom – The Telecom sector.

1. INTRODUCTION

The revolution in the telecom sector has changed the way some businesses are handled in India. Now a days there is a lot of news in the Industry about the newly Launch 3G enabled services and handsets. This has led not only to the significant growth of the Telecom industry but also the GDP has increased tremendously. According to the sources it was expected that country's telecom market will grow rapidly and by 2010, telecom will likely to be a US$38 billion sector, contributing 5.4% to India's GDP, and above all these expected growths are coming true. As India is a developing country and has a huge population, it is seen that it is the booming domestic telecom market and has been attracting huge amounts of investment which is likely to speed up with the entry of new players and launch of other new services too.

2. TELECOM INDUSTRY: THE GROWTH PROSPECT

The growth has been attributed to the launch of operations in new areas such as 3G and WiMAX services.3G includes Videoconferencing, Voice calls, and advanced voice services, whereas WIMAX includes wireless connectivity. It is analyzed that the key markets and segments of Indian telecom industry to make overseas clients aware of the present and future scenario and the factors fueling the growth of Indian telecom sector which will then ultimately leads to the employment generation in the country. According to the Union Minister of State for Communications and Information Technology, India has become an advanced nation in the mobile market of the world with lakhs of consumers getting associated to the service every month. This will of course lead to the growth of the other sectors too and will make its strong place in telecommunication sector in the future time.

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Apparently, above all factors creating growth in the Telecom Industry there would be ultimately the number of experienced and skilled telecom human resources will be required for the Industry. As there are huge "Opportunities in communication sector", the scope for management graduates who have specialized in management with technical background has increased a lot and there are a host of top jobs available in this field and MIT school of Telecom management is one of the top Business school in Pune which is offering various courses understanding the need of the Telecom industry by providing Management graduates in specialized domains.

3. RANKING OF MOBILE PHONE USAGE IN ALL OVER THE WORLD

Rank	Country or region	Number of mobile phones	Population	% of population
	World	Over 5 billion	6,909,500,000	
1	China	896,200,000	1,341,000,000	67.1
2	India	826,930,916	1,210,193,422	69.19
3	United States	302,947,098	310,866,000	96
4	Russia	220,550,000	142,905,200	151.9
5	Brazil	215,000,000	190,732,694	110.51
6	Indonesia	168,264,000	237,556,363	73.1
7	Japan	107,490,000	127,370,000	84.1
8	Germany	107,000,000	81,882,342	130.1
9	Pakistan	105,151,871	171,901,000	63.2
10	Nigeria	90,583,306	140,000,000	64.7
11	Mexico	88,797,186	112,322,757	79.8
12	Italy	88,580,000	60,090,400	147.4
13	Philippines	78,000,000	92,226,600	73.6
14	United Kingdom	75,750,000	61,612,300	122.9
15	Bangladesh	74,190,000	150,093,000	48.6
16	Turkey	66,000,000	71,517,100	92.2
17	France	58,730,000	65,073,842	90.2
18	Thailand	516,170,908	65,001,021	81.0
19	Ukraine	54,377,000	46,143,700	117.9
20	Iran	52,000,000	75,078,000	69.3
21	Spain	50,890,000	45,828,172	111.0
22	Argentina	50,409,800	40,134,425	125.6
23	Poland	47,153,200	38,186,860	123.48
24	South Korea	47,000,000	48,333,000	97.2
25	South Africa	42,300,000	47,850,700	82.9

Sources: http://en.wikipedia.org/wiki/List_of_countries_by_number_of_mobile_phones_in_use

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4. GROWTH PROSPECTIVE FACTORS INFLUENCING INDIAN TELECOM INDUSTRY

There are so many factors influenced the growth of Indian telecom industry,

- **Privatization in telecom industry,**
- **Role of TRAI,**
- **Introduction of 3G Services**

4.1. PRIVATIZATION OF TELECOMMUNICATIONS IN INDIA

The Indian government was composed of many factions (parties) which had different ideologies. Some of them were willing to throw open the market to foreign players (the centrists) and others wanted the government to regulate infrastructure and restrict the involvement of foreign players. Due to this political background it was very difficult to bring about liberalization in telecommunications. When a bill was in parliament a majority vote had to be passed, and such a majority was difficult to obtain, given to the number of parties having different ideologies. Liberalization started in 1981 when Prime Minister Indira Gandhi signed contracts with Alcatel CIT of France to merge with the state owned Telecom Company (ITI), in an effort to set up 5,000,000 lines per year. But soon the policy was let down because of political opposition. She invited Sam Pitroda a US based Non-resident Indian NRI to set up a Center for Development of Telematics (C-DOT), however the plan failed due to political reasons. During this period, after the assassination of Indira Gandhi, under the leadership of Rajiv Gandhi, many public sector organizations were set up like the Department of Telecommunications (DoT), VSNL and MTNL. Many technological developments took place in this regime but still foreign players were not allowed to participate in the telecommunications business.

The demand for telephones was ever increasing. It was during this period that the Narsimha Rao-led government introduced the national telecommunications policy [NTP] in 1994 which brought changes in the following areas: ownership, service and regulation of telecommunications infrastructure. They were also successful in establishing joint ventures between state owned telecom companies and international players. But still complete ownership of facilities was restricted only to the government owned organizations. Foreign firms were eligible to 49% of the total stake. The multi-nationals were just involved in technology transfer, and not policy making.During this period, the World Bank and ITU (Indian Telecom union) had advised the Indian Government to liberalize long distance services in order to release the monopoly of the state owned DoT and VSNL; and to enable competition in the long distance carrier business which would help reduce tariff's and better the economy of the country. The Rao run government instead liberalized the local services, taking the opposite political parties into confidence and assuring foreign involvement in the long distance business after 5 years. The country was divided into 20 telecommunication circles for basic telephony and 18 circles for mobile services. These circles were divided into category A, B and C depending on the value of the revenue in each circle. The government threw open the bids to one private company per circle along with government owned DoT per circle. For cellular service two service providers were allowed per circle and a 15 years license was given to each provider. During all these improvements, the government did face oppositions from ITI, DoT, MTNL, VSNL and other labor unions, but they managed to keep away from all the hurdles.

4.2. ROLE OF TRAI IN THE GROWTH OF TELECOM INDUSTRY

After 1995 the government set up **TRAI (Telecom Regulatory Authority of India)** which reduced the interference of Government in deciding tariffs and policy making.

❖ MISSION

The mission of Telecom Regulatory Authority of India (TRAI) is to ensure that the interests of consumers are protected and at the same time to nurture conditions for growth of telecommunications, broadcasting and cable services in a manner and at a pace which will enable India to play a leading role in the emerging global information society.

❖ AIMS AND OBJECTIVES OF TRAI

The goals and objectives of TRAI are focused towards providing a regulatory regime that facilitates achievement of the objectives of the New Telecom Policy (NTP) 1999. The goals and objectives of TRAI are as follows:

- Increasing tele-density and access to telecommunication services in the country at affordable prices.
- Making available telecommunication services which in terms of range, price and quality are comparable to the best in the world.
- Providing a fair and transparent policy environment which promotes a level playing field and facilitates fair competition.
- Establishing an interconnection regime that allows fair, transparent, prompt and equitable interconnection.
- Re-balancing tariffs so that the objectives of affordability and operator viability are met in a consistent manner.
- Protecting the interest of consumers and addressing general consumer concerns relating to availability, pricing and quality of service and other matters.
- Monitoring the quality of service provided by the various operators.
- Providing a mechanism for funding of net cost areas/ public telephones so that Universal Service Obligations are discharged by telecom operators for spread of telecom facilities in remote and rural areas.

❖ OVERVIEW OF TRAI

The telecommunication sector in India has been witnessing highest growth rates in the world and the trend continued in the year that is being reported on. The growth in the subscriber base is being caused particularly by the unprecedented growth in mobile telephony. The growth is particularly impressive considering that during this period the entire world was affected by the global economic meltdown and recessionary trends. This high growth rate was achieved with the service providers' ability to offer innovative and low tariff plans. This growth has led to rapid expansion of the subscriber base. It has paved the way for extensive provision of modern communication services in rural areas, and has provided a strong boost to government revenues from growth in sales of services and equipment.

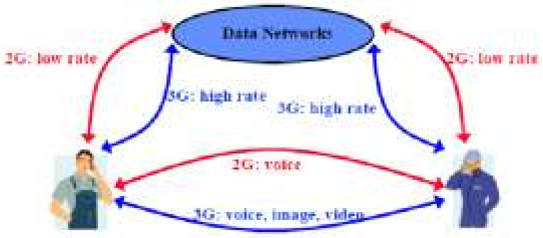
4.3. ROLE OF 3G IN DEVELOPMENT OF TELECOM INDUSTRY

3G or 3rd generation mobile telecommunications is a generation of standards for mobile phones and mobile telecommunication services fulfilling the International Mobile Telecommunications-2000 (IMT-2000) specifications by the International Telecommunication Union.[1] Application services include wide-area wireless voice telephone, mobile Internet access, video calls and mobile TV, all in a mobile environment. To meet the IMT-2000 standards, a system is required to provide peak data rates of at least 200 kbit/s. Recent 3G releases often denoted 3.5G and 3.75G also provide mobile broadband access of several Mbit/s to smart phones and mobile modems in laptop computers.

❖ APPLICATION OF 3G SERVICES

The bandwidth and location information available to 3G devices gives rise to applications not previously available to mobile phone users. Some of the applications are:

- **Mobile TV** – a provider redirects a TV channel directly to the subscriber's phone where it can be watched.
- **Video on demand** – a provider sends a movie to the subscriber's phone.
- **Video conferencing** – subscribers can see as well as talk to each other.
- **Tele-medicine** – a medical provider monitors or provides advice to the potentially isolated subscriber.
- **Location-based services** – a provider sends localized weather or traffic conditions to the phone, or the phone allows the subscriber to find nearby businesses or friends



5. GROWTH OF INDIAN TELECOM INDUSTRY

The overall telephone connection figure stood at 621.28 million at the end of the financial year 2009-10.Out of this the share of wireless subscribers stood at 584.32 million as compared to 391.76 million a year. The growth was 192.56 million or 49.15% year-on-year. The rural market has reached the 190.88 million mark as against 111.63 million in the previous year excluding CDMA which works out to a growth of about 71% over last year. It was reported that 32.67% of total wireless subscribers are now in rural areas. The total number of wireline connections was 36.96 million while in the rural areas it stood at 9.93 million. The wire line segment has been stagnating or declining in the last few years but a positive aspect is that the decline has reduced from - 3.69% to -2.65%. During the last year, though BSNL and MTNL have registered decline, private operators have jointly had a growth of 11.51% increasing the connections from 5.04 million to 5.62 million. The growth of subscriber base during the past decade (2000- 2010) is indicated below.

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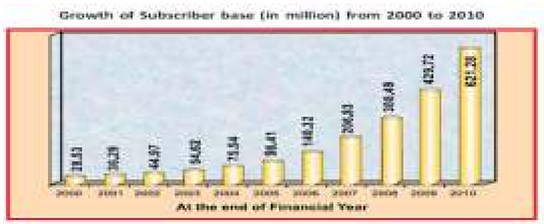


Sources: Annual report of TRAI

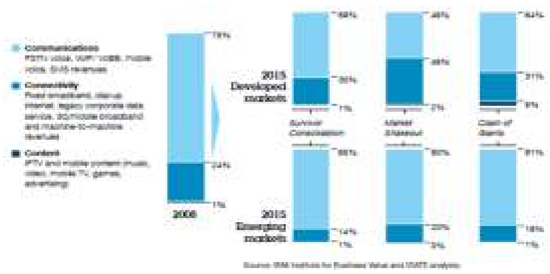
6. MAJOR ACHIEVEMENTS DURING THE FINANCIAL YEAR 2009-10

- The total wireless subscriber base {GSM, CDMA and WLL (F)} stood at 584.32 million on 31st March 2010.
- The number of wire line subscribers on 31st March 2010 was 36.96 million.
- On an average, more than 15 million telephone subscribers were added every month during the financial year.
- The total number of PCOs in the country as on 31st March 2010 was 4.59 million and the number of VPTs was 0.58 million.
- The overall teledensity at the end of March 2010 was 52.74% as compared to 36.98% ending March 2009.
- The rural teledensity at the end of March 2010 was 24.29% as compared to 14.93% at the end of March 2009.
- There were 16.18 million Internet subscribers on 31st March 2010 as compared to 13.54 million on 31st March 2009.
- Besides the internet subscribers mentioned above, there are 117.87 million wireless data subscribers who are accessing internet through wireless (GSM and CDMA) networks.
- The number of Broadband connections on 31st March 2010 was 8.77 million compared to 6.22 million as on 31st March 2009.

7. FUTURE FOR TELECOM BUSINESS OF 2015 OR 2020

The telecommunications industry has experienced more change in the last decade than in its entire history, says IBM. Consider that, in 1999, only 15 percent of the world's population had access to a telephone; by 2009, nearly 70 percent had mobile phone subscriptions. So where will the industry be in five years, in 2015?

While nothing is certain, forecasters at the IBM Institute for Business Value say they see four possible outcomes, and none of them offer rosy futures. The major implication, though, is that the telecom industry might well be a very-different sort of business by 2020, if not by 2015. If you look at revenue sources, it is virtually certain that in developed markets, less revenue--in some cases far less revenue--will be earned from voice and text services. More revenue will be earned from broadband services, and possibly from business partners rather than end users.



8. CONCLUSION

The telecommunication sector in India has been witnessing highest growth rates in the world. The reason for this growth, the role of TRAI (Telecommunication Regulation Authority of India) is playing a vital role in this world. TRAI is influencing the more consumer care and this is confidential evidence that slashing the call rates, Introduction of 3G services, MNP (Mobile Number Portability), etc. So that the telecommunication consumers is getting more sophisticated and utilizing the high quality services in a cheaper prices. India is one of the emerging markets. So, from this we conclude India is becoming a world largest Telecommunication Industry in 2015.

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ROLE OF BRAND AMBASSADORS IN INDIAN TELECOM SECTOR (A Respondents View in Mirzapur City)

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A Brand Ambassador is a well-connected person or a celebrity who is used to promote and advertise a product or service. He/ She are a diplomat, a representative of an organization, institution or corporation that best portrays the product or service. The brand ambassador is a marketing model that employs trusted, credible personalities to promote and give greater visibility to its brand products.

INTRODUCTION AND THE NEED OF THE STUDY

Indian telecom is world's fastest growing telecom expected grow three fold by 2012. Tremendous strides in this industry have been facilitated by the supportive and Liberal policies of the Government. Especially the Telecom Policy of 1994 which opened the doors of the sector for private players. Provision of telecom services to the rural areas in India has been recognized as another thrust area by govt. which also helps for the enormous opportunities in this sector. Therefore telecom sector in India is one of the fastest growing sectors in the country and has been zooming up the growth curve at a feverish pace in the past few years. Usage of telecommunications in India is on high end, touching each and every individual. Mobile phone has become an indispensable link with the Indian consumer. At the same time this sector is also witnessing the throat cut competition among the different major players. The fight for achieving more and more market share has given the birth of using celebrity for the endorsement of their brand. The Purpose of this study is to investigate the influencing factors on consumers buying behavior, Attitude towards the celebrity advertisements and purchase intentions of the endorsed product and the qualities required to make the celebrity advertisement more effective. This study facilitates an understanding of the consumer attitude towards the advertisement, and their choice of celebrities.

BRAND AMBASSADORS IN INDIAN TELECOM SECTOR

Brand Ambassadors are like celebrities from outside world to lay men urging them towards the

Product; they personify the values of the brand and create aspirations. People are more likely to listen to their friends and Family when making purchasing decisions than they are to marketing and advertising messages. It is for the company's Best interest to identify and select ambassadors for your brand because wherever they go, you go. A Brand Ambassador is a well-connected person or a celebrity who is used to promote and advertise a product or service. He/ She are a diplomat, a representative of an organization, institution or corporation that best portrays the product or service. The brand ambassador is a marketing model that employs trusted, credible personalities to promote and give greater visibility to its brand products. The celebrity brand endorsement business in India is pegged at about Rs 1,000 crore, including star appearances and events. Last year, cricketer M S Dhoni and Shah Rukh were among the top celebrities endorsing maximum products. (Business Standard) Telecom companies sell their products only through celebrities. With the exception of Vodafone and the ZooZoos almost all the companies have their own celebrities.

- Deepika Padukone replaces Preity Zinta as BSNL brand ambassador

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- Hrithik Roshan brand ambassador for Reliance Communications.
- Abhishek Bacchan as a brand ambassador for Idea

The list contains more names and the reasons for using celebrities as their brand ambassador are for increasing the perception of the attractiveness of the brand to the public. Increasing the public's knowledge of the product and helping the potential customer feel comfortable with the brand. The success and popularity achieved by the brand depends heavily on the brand ambassador the role brand ambassadors have to pay in this is very important. As the brands get automatically attached with the celebrity endorsing selected.

RSEARCH METHODOLOGY

The work was Descriptive and Exploratory by nature. Both primary as well as secondary data have been used for this purpose. Primary data have been collected through a well tested questionnaire and for the collection of secondary data books; journals and Internet etc were used. 100 nos. of respondent has been taken for this purpose. The area of the study was confined and sample size was taken in the Urban & Rural area of Mirzapur district of Uttar Pradesh. Various statistical tools such as Percentage and Chi-square test have been applied to analysis and Interpretation by the best ways.

Statement of the Objectives

- To study the role of Brand Ambassadors in Telecom Companies.
- To study the effect and Impact of Brand Ambassador on the consumer behavior with their certain demographical factors.

Hypothesis: The following hypothesis has been framed to assess the second objective.

Ho: Let there is no difference between the Resident Area and the brand improvement through Brand Ambassador.

Ho: Let there is no difference between the Gender group and brand improvement through Brand Ambassador.

Ho: Let there is no difference between the Age group and brand improvement through Brand Ambassador.

Limitations of the Study

Due to limitation of time and cost constrains a sample size of only 100 respondents were chosen. The sample extent for research is only Mirzapur City. Some of the respondents may be biased in giving responses.

DEMOGRAPHICAL PROFILE OF THE RESPONDENTS

Options (Gender)	No. of Respondent	Percentage
Male	60	60%
Female	40	40%
Total	100	100%
Options (Residing Area)	**No. of Respondent**	**Percentage**
Urban	59	59%
Rural	41	41%
Total	100	100%
Options (Age Group)	**No. Of Respondent**	**Percentage**
Below 18 Year	4	4%
18-35 Year	62	62%
Above 35 Year	34	34%
Options (Occupation)	**No. of Respondent**	**Percentage**
Student	25	25%
Service	51	51%
Business	17	17%
Others	7	7%
Options (Monthly Income In Rs)	**No. of Respondent**	**Percentage**
No Inc.	29	29%
Up to 10	21	21%
11-20	39	39%
Above 20	11	11%
Options (Education)	**No. of Respondent**	**Percentage**
Under Graduate	23	23%
Graduate	36	36%
Master Degree	36	36%
Others	5	5%

Source: Primary Data

60% of the respondents are male & the 40% are female. 59% respondents are related to urban areas & the 41% related to rural areas. 4% respondents are below 18 year, 62% respondents are between the 18-35 year & 34% respondents are above 35 year. 25% respondents are students, 51% are service person, 17% are business man & 7% are doing others job. 29% respondents has no income, 21%are up to10 thousand, 39% are the 11 to 20 thousand and 11% are above 20 thousand. 23% are under graduate, 36% are graduate, 36% are master degree holders and 5%are others.

ANALYSIS OF RESPONDENT'S VIEW ON STRUCTURED QUESTIONNAIRE

Q.1 Role of brand ambassadors in a company.	**No. of Respondent**	**Percentage**
To promote the product	19	19%
To promote the company	72	72%
To promote the consumer	9	9%
Q.2 Role of a brand ambassador in a telecom company.	**No. of Respondent**	**Percentage**
To promote the sale of pre-paid/post-paid plans	21	21%
To promote the packages	32	32%
To promote and launch new services.	47	47%
Q.3 Who should be a brand ambassador of a telecom company?	**No. of Respondent**	**Percentage**
Model	19	19%
Actor/Actress	41	41%
Sportsperson	34	34%
Layman	6	6%
Q.4 Personal life of a brand ambassador affects the sales of a telecom company's Product/services which he/she is promoting.	**No. of Respondent**	**Percentage**
Certainly Affects	39	39%
Probably Affects	27	27%
Neutrally Affects	34	34%
Q.5 Do you think that the inclusion of a brand ambassador improves the performance the company.	**No. of respondent**	**Percentage**
Yes	94	94%
No	6	6%

Source: Primary Data

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- (72%) of the respondents shows that the role of Brand Ambassador in a company is to promote the company rather than promoting product and attracting consumer.
- 47% of the respondents think that Brand Ambassadors help to promote & launch services 32% think they promote packages and 21% think they promote the sale of prepaid-postpaid plans.
- 41% of the respondents would like to see actor and actresses, 34% to sportsman, and 19% to models and only 6% wants to see layman as Brand Ambassador.
- 94% of the respondents think that brand improves with the illusion of Brand Ambassador, 6% did not agree.
- 39% of the respondents think that their personal life certainly affects the sale and 34% think neutrally affects and 27% think that it probably affects.

HYPOTHESIS TESTING ON CERTAIN DEMOGRAPHICAL FACTORS

1- Ho: Let there is no difference between the Resident Area and the brand improvement through Brand Ambassador.

	Yes	No	Total	
Urban	57	4	61	
Rural	37	2	39	
Total	94	6	100	
Degree of Freedom	**Significant level**	**Table ?2**	**Calculated ?2**	**Outcome**
2	5%	5.99	0.0861556	Null hypothesis is

Source: Primary Data

2- **Ho.** Let there is no difference between the Gender group and brand improvement through Brand Ambassador

	Yes	No	Total	
Male	57	4	61	
Female	37	2	39	
Total	94	6	100	
Degree of freedom	**Significant level**	**Table ?2**	**Calculated ?2**	**Outcome**
1	5%	0.0861556	3.841	null hypothesis

Source: Primary Data

3- **Ho.** Let there is no difference between the Age group and brand improvement through Brand Ambassador.

	Yes	No	Total	
Below 18 year	4	0	4	
18 – 35 year	58	4	62	
Above 35 year	32	2	34	
Total	94	6	100	
Degree of Freedom	**Significant level**	**Table ?2**	**Calculated ?2**	**Outcome**
2	5%	5.99	0.278574	Null hypothesis is

Source: Primary Data

FINDING

Maximum percentage of respondent is in favor, that Brand Ambassadors promote the company. Major percentage of respondents thinks that the role of Brand Ambassador is promoting and launching new services. Maximum number of respondent are attracted with Actor & Actresses and want to see them as Brand Ambassador. Maximum numbers of respondent prefer the inclusion of Brands Ambassador. Respondents think that personal life of Brand Ambassador of any telecom company certainly affects the sales. Maximum numbers of respondent's view that the telecom companies are fairly depend on their Brand Ambassador for the sales promotion and marketing of their product. The hypothesis testing through chi-sq suggests that there is no difference between the demographical factors of the respondents and the brand improvement through Brand Ambassador.

CONCLUSION

This is the world of competition and now the day the selection of Brand Ambassadors is becoming a crucial part for the company and product. People are very much attentive and attracted towards the Brand Ambassadors of the company. The selection of the Brand Ambassador up to maximum extent affects the sale of products. The Brand Ambassadors are now one of the big reasons for the selection or rejection of any particular product by customers. So, companies and advertisers should be very careful while selecting a Brand Ambassador especially in telecom sector where there is very tough competition.

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