

# Journal of Marketing Vistas

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## **Measuring the Effects of Retail Functional Strategies on the Growth of Organized Retail Environments**

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## **Young Users' Attitude toward Internet Use – The Role of Personal and Family Variables**

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- UGC List of Journals
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## **Aims and Scope**

**Journal of Marketing Vistas** provides a platform to marketing professionals from academia and industry to exchange information on emerging marketing practices and theory across industry around the globe.

Articles in the Journal furnish information on trends in areas including, but not limited to, Strategic Marketing, Promotion Management, New Product Management, Pricing Decisions, Product-Line Management, Competitive Strategy, Buyer Behaviour, Marketing Research, Market Information System, International Marketing, Services Marketing, Segmentation Targeting and Positioning, Sales Force Management, Retail Management, Customer Relationships Management and e-Marketing.

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# Journal of Marketing Vistas

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# Editorial

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It is difficult to change attitudes of the consumers. Marketers can only understand attitudes for better creation of Communications and Branding strategies to increase the market share and profitability of the organization. Though the online shopping is increasing in the internet generation, organized retail sector is also growing simultaneously. Owing to the increase in smart phone usage, Permission Marketing is also becoming a challenge for the marketers.

Technology is playing a vital role in Integrated Marketing Communications. Apart from the traditional tools of communications, the new technology based communication tools are challenging the process of integration. Tech savvy behavior and attitude are completely different from off line behavior and attitude. It is empirically presented with a strong review of literature in the article showcasing it as an opportunity and as a challenge.

Gender will never be a hurdle to start an enterprise and make it grow. For that matter, women are more dynamic in some of the business areas. Businesses like fashion designing demand the tender skill sets and patient approach, which are the unique characteristics of women. South India, especially Kerala is known for literacy and fashion. The life of fashion entrepreneurs has been discussed in the second article.

Environmental protection is an important goal for sustainable development. Business organizations are crucial in protecting environment, FMCG sector is no exception. It is

interesting to know that the sector is executing well developed strategies in protecting the environment and in turn encouraging its huge customer base towards the goal through Green Marketing.

Mobile has become an integral part of a human body. Consumers are spending most of their time in mobile usage, which is encouraging marketers to reach the consumers through mobile. It is inevitable to get permission to reach the consumer through SMS. The article discusses on the factors and attitudes towards SMS advertising.

Brand is a subjective element associated with various intangible personality traits. Understanding various brand personalities and matching them with the branding objective is a major challenge. However, the brand personality is in consonance with the consumer stimulation and loyalty, which has been discussed in this article with the help of Aaker Model.

Price, Promotion, Experience and Service within an organized retail format have a great significance in increasing the loyal customers and increasing the customer equity. The paper has highlighted the strategies that help a retail format to increase customer patronage with the help of statistical analysis.

**Dr. M. Meher Karuna**  
*Managing Editor*

# Integrated Marketing Communication Then and Today - A Challenge or An Opportunity?

Ashit Desai<sup>1</sup>  
Juhi Shah<sup>2</sup>

## Abstract

The role of marketing communication cannot be neglected today, since it has become a compulsion for business survival. Over a period of time marketing communication has evolved continuously and still sky is the limit. The need of Integrated Marketing Communications (IMC) nurtured with an aim to well tune central message across different communication platforms like advertising, sales promotion, the Internet and interactive media, public relations, and direct marketing. The aim of this paper is to review the literature and to understand the concept, evolution and future scope of Integrated Marketing Communications.

With the help of technology based hardware and software, Integrated Marketing Communications can be more specific, personalized and digitalized. It can easily reach to target audience and convey central message being customized to each and every audience. Stand-alone traditional communication is now being integrated successfully by practicing marketers and agencies. The recent technical advancement have made it more easy to integrate communication across tools and platforms with ease to trace performance, ready to click analytics and low customer conversion cost. The development process of Marketing Communication (MarCom) integration with its effect is being discussed here with an objective to have blueprint of future Integrated Marketing Communications.

**Keywords:** Evolution of IMC, Future of IMC, Integrated Marketing Communication (IMC)

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## Statement of Intended Contribution

Today Marketing Communication (MarCom) has become part of everyone's life. It is an art of a marketer to leverage advantages of audience's psychology in line with marketing goals. Recent developments in Information Technology infrastructures have given birth to new edge of marketing communication. The purpose of this paper is to understand traditional and modern marketing communication practices and their effectiveness. Through this paper an attempt is made to foresee future of integrated marketing communication with help of statistical data.

Increased competition and global reach have made it more challenging for business to survive. Today old academic theories are not seen performing well in

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corporates. This paper may add value to academics by presenting recent trends in marketing communications with special focus on digital and technical MarCom tools. This paper may also help corporates to design their modern marketing communication strategies based on data facts.

## **Introduction**

The concept of Integrated Marketing Communication started being accepted widely as an idea and technique since mid-1990's. Though, having highly penetrated in management and communication world, very less has been said about Integrated Marketing Communications (Cornelissen & Lock, 2000). For two decades academics and marketers have debated for concept of Integrated Marketing Communications and could not agree upon its application and benefits (Porcu, Barrio-García, & Kitchen, 2012). Later, with increase in competition and substitute products, role of Integrated Marketing Communications became crucial and objected for lead generation. What we see today is a modern era of Integrated Marketing Communications which along with lead generation also aims for high conversion ratio, customer retention and repetition frequency.

Use of multiple marketing channels and combination of marketing tools are effectively being practiced to communicate a well-defined marketing message among the predefined audience. With advancement in technology traditional marketing communication has successfully overcome its barriers such as time, money, convenience, relevance etc.

## **Integrated Marketing Communications Defined**

Many of the marketing professionals have believed Integrated Marketing Communications (IMC onwards) is just a new terminology of a concept that existed since long before (Spotts, Lambert, & Joyce, 1998); this is a reason why, for decades experts debated for IMC and advertising being same, though advertising itself has never been totally defined (Schultz D., 2016). The origin of IMC is a matter of debate but, it is believed to be emerged in late 80s. IMC came in to consideration in business post Schultz, Tannenbaum, & Lauterborn published first book – “Integrated Marketing Communications: Putting it Together & Making it Work” (Kitchen, 2017). in 1993. IMC was first ever defined by a task-force appointed by American Association of Advertising Agencies (the “4As”) in 1989 to investigate integrated marketing communications (IMC) as...

*A concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines – for example, general advertising, direct response, sales promotion, and public relations – and combines these disciplines to provide clarity, consistency, and maximum communications impact. (Percy, 2008).*

Experts believed IMC is an added sub mix of one of the P-Promotion of McCarthy's “4Ps model” theory. However in 1993 Schultz, Tannenbaum and Lauterborn suggested that it is time to abandon the McCarthy's 4Ps and to replace them with the 4Cs model (Schultz, Tannenbaum, & Lauterborn, 1993): consumer, cost, convenience, communication. As the 4Cs model was focused on consumer-oriented perspective. The argument was related as...

**Table- I: 4Cs Model: Consumer, Cost, Convenience, Communication**

Mix of 4P Model	Argument (4P Model)	Mix of 4C Model	Suggestion (4C Model)
Product	What gets Manufactured cannot be sold	Consumer	Develop a product as per Consumer's need/want
Price	Price is not only cost plus profit	Cost	Price is rather Consumer's cost to satisfy that need/want
Place	Distribution channel just facilitates by availing products nearby to customers	Convenience	Customer should not go to particular place to buy product, product should reach to customer.
Promotion	The motto of the age of the manufacturer-'caveat emptor', let the buyer beware	Communication	'caveat emptor' is replaced by 'cave emporium', beware of the buyer

Along with emergence of IMC, Experts have developed different definitions of IMC. Some of the arguments are being made of IMC being both a process and a concept; it is difficult to exactly define IMC (Kliatchko, 2005). Few of the definitions that have emerged with IMC evolution are as stated below.

*A planning process designed to assure that all brand contacts received by a customer or prospect for a product, service, or organization are relevant to that person and consistent over time.*

- (American Marketing Association)

*IMC is the concept and process of strategically managing audience-focused, channel-centered, and results-driven brand communication programmers over time.*

- (Kliatchko, 2005)

*Integrated Marketing is an approach to creating a unified and seamless experience for consumers to interact with the brand/enterprise; it attempts to mold all aspects of marketing communication such as advertising, sales promotion, public relations, direct marketing, and social media, through their respective mix of tactics, methods, channels, media, and activities, so that all work together as a unified force. It is a process designed to ensure that all messaging and communications strategies are consistent across all channels and are centered on the customer.*

- (Belch & Belch, 2003)

Regardless to IMC arguments, today practicing marketers have agreed upon value additions by implementing IMC practices. It has not only delivered results, but has been proven of being ROI.

## **Traditional Advertising and Emergence of IMC**

In the year 1903 Walter Dill Scott – A psychology professor published theory



of advertising in his article in Mahin's Magazine. Till mid 90s most of the US universities have designed advertising courses, these courses were focused on four areas of marketing namely, Advertising, Direct Marketing, Sales Promotions and Public relations reason being 80 percent of marketers budget spend were focused on these four areas. The idea of one voice, one sight and one sound for a brand was proclaimed by Don Schultz and his colleagues at northwestern university and this idea was adopted as a standard among the marketers.

This concept lasted well till 90s. It was one of the top educational professional courses in most of the American universities. Advertising agencies used to buy print space in bulk at discounted rates and used to sell to business organizations in pieces with profit. University scholars with advertising specialization used to get placed with advertising agencies easily. The advertising model was working on principle – Push messages to audience and they will get convinced. If not, send message again and again and train them to respond (Pavlov's classical conditioning theory). These push strategy resulted in clutter and audience started creating shield (Schultz, Tannenbaum, & Lauterborn, 1993). Introduction of Internet and digitalization was a big challenge for IMC. For the first time the flow of communication was modified since the audience got the power to interconnect irrespective of geographical boundaries. These led to a shift of power from manufacturer to consumer. Consumer got the power of what message to take, from where to take and how to respond. The availability of response data enabled marketers to go for measurements, ROI and CRM software.

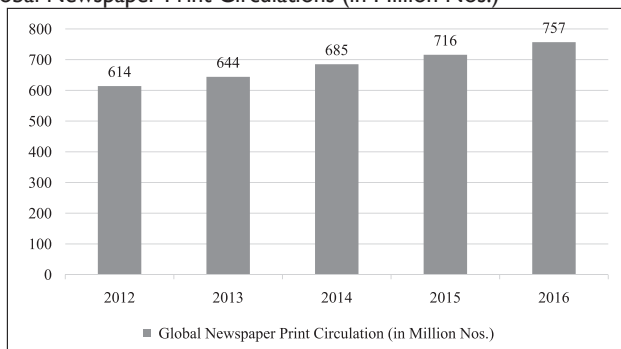
Today what we see is a totally driftnet world of communication. It may be either a challenge or an opportunity for a new generation (Schultz D. E.). Technology has changed the world by opening doors of new channels to communicate.

## **IMC Today – Either A Challenge or An Opportunity**

IMC is in a transition phase where the challenge is to integrate offline (traditional) channels with online (modern) channels. Half of all advertising dollars will be spent online by 2020, equaling all combined 'offline' ad spend globally (CNBC, 2017). A drastic change in people's lifestyle and behavior has raised a question on traditional MarCom tools.

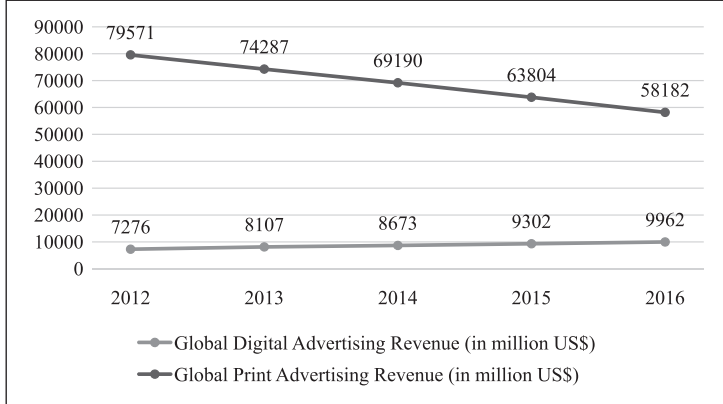
It is very interesting to refer few statistical data and to refer to interpretation based on these statistics.

**Figure- I: Global Newspaper Print Circulations (in Million Nos.)**



Source - World Press Trends 2017 database and World Press Trends analysis

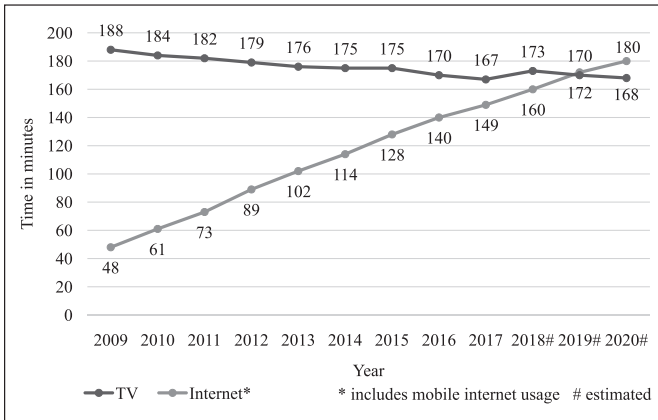
**Figure-2: Global Print & Digital Advertising revenue**



Source - World Press Trends 2017 database and World Press Trends analysis

Reading habits of people have reflected in increased print newspaper circulation (Figure-1) and decreased print advertisement revenue (Figure-2). It is also clearly seen that advertisement revenue form digital newspapers from 2012 to 2016 have grown at 36.91%. While advertisement revenue form print newspaper from 2012 to 2016 have declined to 26.88%. These can be interpreted as marketers are getting good results or more accurate measurements from e-print advertisements. However the increase in print circulation may be interpreted with reference to increase in reader base due to increase in population and introduction of new publications.

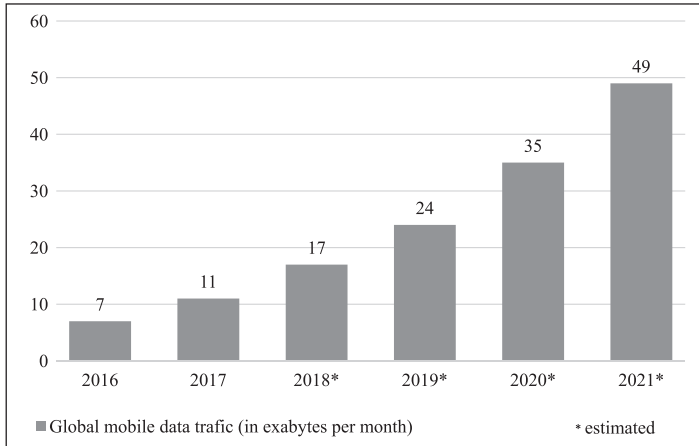
**Figure-3: Daily TV and Internet Time Spend Per Person (in Minutes)**



Source - Zenith via Recode

One of the prominent and preferred marketing communication channel TV advertisement should also seen with reference to change in people’s increase in time spent on Internet compared to TV. As forecasted, by the year 2019 people will share near to exact equal of their entertainment time for TV and Internet (Figure-3). And for coming years, time spend on Internet will increase keeping time spent on TV lower. This increase in Internet time spending can be supported by increase in mobile data traffic worldwide (Figure-4).

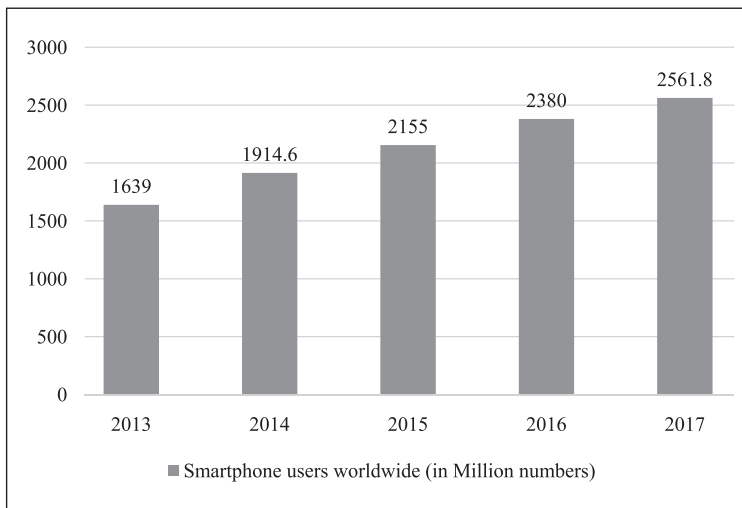
**Figure-4:** Global Mobile Data Traffic Per Month (in exabytes)



Source - Cisco Systems

Increased mobile data traffic can be seen as an opportunity to get digitally connected with audience. How increased mobile data traffic and smartphone users globally can help markets to frame “in-stream” advertisement strategy? To answer this question a statistic on smartphone users should be considered.

**Figure-5:** Smartphone Users Worldwide (in Million numbers)



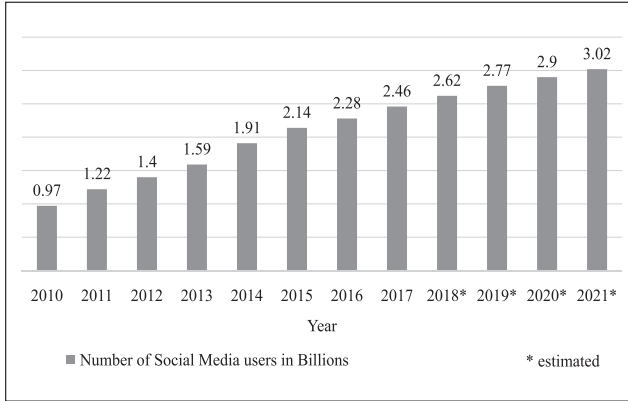
Source - eMarketer

From the year 2013 to 2017 smartphone users have increased at 56% with an annual average growth rate of 14% worldwide (Figure-5). Smartphones are more personalized compared to computers and TVs. A combination of positive change in smartphone users (Figure-5) and increasing time spend on Internet (Figure-3) marketers can decide for traditional broadcast advertisement or “In-stream” advertisements, which triggers well profiled audience and also measures performance.

Another great digital platform now a days to reach out potential audience is

social media. With increased number of social media users, it has become easier to trigger correct audience. However threat of fake social profiles cannot be ignored.

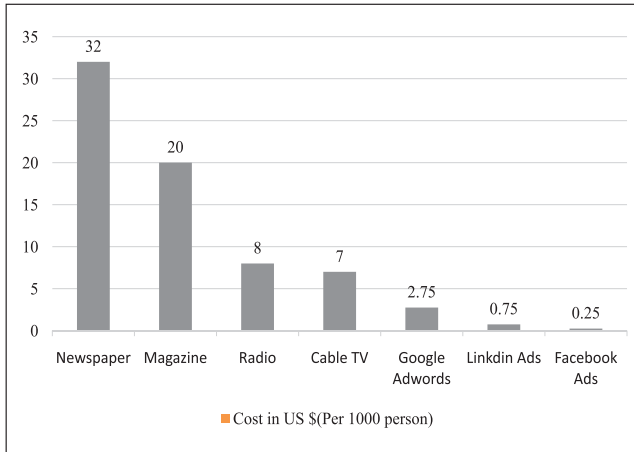
**Figure-6:** Social Media Users Worldwide (in Billion numbers)



Source - eMarketer

Out of 7.49 billion population (United States Census Bureau, 2018). 2.62 billion (Figure-6) is connected with at least one social media. This is almost 35% of global population. Social media like facebook, twitter, instagram etc. are few popular platforms that are most used on smartphones. Such platform provides advertising options that can meet specific communication objective of marketers. Though forecasted fact of user growth rate of 4% is very low compared to past growth rate and may be concerned for social media strategies in future.

**Figure-7:** Cost to Reach 1000 People



Source - Moz.com

In the era of digitalization, offline media has reduced their importance as seen in Figure-7. Facebook ads have been considered most effective on the bases of budget spent. On an average less than 1 US\$ budget per day can connect a business to 1000 people (Figure-7). Digital channels like Adwords, social media, SEO and SEM are actually much costly than traditional medias like print, radio,

TV and outdoor. But when compared on the bases of conversion parameters, it is vice versa. The reason is digital platforms provides more control to define target audience.

## **Digging it Deeper – A Deep Dive in Acute IMC**

The digitalized world has motivated marketers to consider digital marketing for their MarCom strategy. In the year 2017 budget spending on digital marketing has increased to 50% compared to 2016 (IEEE GlobalSpec Media Solutions, 2017). For a digital marketing a firm requirement is a good content. Content quality helps to increase audience engagement ratio. As per rough estimates made, a better content can help to increase traffic up to 2000%. This is a reason behind growth of content copywriting profession. Modern IMC practices have provided both freedom and control to marketers and have created a virtual space for their business that results physically. Here are some parameters, being considered today.

### *Defining More Specific Target Audience*

Audience can be more classified based on location, age, gender, interest etc. Digitalisation is an easier way of getting connected to the right audience. Traditional print advertisement used to target audience on limited parameters but technology has enabled with more parameters that help to trigger marketing communications to filtered target audience (Figure-8).

**Figure-8:** Audience Profiling for Digital Marketing

Location	India	
Age Group (in Years)	18-25	
Gender	Male	
Language	Hindi	
Interest	Sports	
Special Criteria	Mobile App Users	

A well-defined audience can help marketers with higher engagement and conversion ratio. Based on different parameters, separate communication can be made for different groups of audience may be with different objectives and customized messages.

### *Customized and Personalized Communication – Everyone’s Importance and Potentiality*

A marketer, who understands art of leveraging technology, can take marketing communication at extraordinary level. Communicating personally with customized message can help to boost conversation ratio. Before today’s advanced digital technology, “personalization” used to mean writing customer’s name across series of communication only. Technology can help to track behavior of audience and integration of database, with the behaviour of audience can help to

push business communications, the performance of audience helps clutter to be avoided. Introduction of artificial inelegancy has made it easier for marketers to be personalized. Chatbots are the popular tool today that works on algorithmic programs. Moreover audience behavior can also be controlled on the ground of technology by providing personalized, quick and relevant information.

### ***Easy to Interconnect – Word of Mouth Over Internet***

For a business, word of mouth is considered as an added perk. Technology has made it easy in a way of feedback, reviews and suggestions on e-stores, social media, blogs and websites and helped marketer to have multiplier effect. Understanding of algorithmic science like keywords and hash tag etc. are known to everyone today and are used over Internet. This has enabled audience to address their search queries and interconnect. For example product reviews on e-stores by one customer can motivate others to decide for purchase decisions. Such external online review also helps to boost organic search traffic and improves search ranking.

### ***Freedom to Alternate Live Campaigns***

What if a print advertisement doesn't work? Can it be altered? The answer is no. A considerable argument to a situation where MarCom tools performs ineffectively, it is a waste of budget since it won't contribute to results. Compared to offline marketing tolls, online marketing tools provides more control over underperforming marketing campaigns. Digital advertisements are well classified by objectives and budget. A close watch on scheduled campaigns can monitor performance and if results are not satisfactory, it can be altered.

### ***Systematic Blueprint of Reach, Recall, Conversion and Retention***

Most important of any MarCom strategy is to ensure that message goes to audience. A message not conveyed is loss to customer acquisition. MarTech can help to identify key touch points where audience can be communicated. A systematic process can track flow of customer association with brand or product. If source of customer association gets known, a more push efforts can be made and this is what technology today have featured marketers with. Automation software collects data and can run campaigns at different stages of customers touch points that too for each individual for example in app alerts for special promotional coupons for frequent buyer.

### ***Stay Tuned with Analytics – The Importance of Measurement***

What cannot be solved is what's not known. That where measuring marketing efforts comes into consideration. Measuring marketing efforts can help to maximize its effectiveness and optimize return on investment. There are a plenty of tools available to measure the performance of marketing tools. For example for the websites tools like google analytics can help to understand traffic and visitor behavior, facebook and linkedin have their own analytics platform. Google Adwords is a separate platform to run and measure digital campaigns. Measuring digital campaigns can help to have a deeper insight on audience research and can help to monitor digital MarCom strategy. Professional platforms like Adobe Marketing Cloud, Salesforce Marketing cloud etc. are available today that works as marketing ERP with functionality to integrate, control and analyze all digital marketing platforms in to one dashboard.

### **High on Cost but Affordable Conversion Cost**

At one glance, offline tools may look pocket friendly but if seen on ground of conversation cost, they are costlier than online tools. As seen in Figure-7, there is a huge cost difference among online and offline media. MarCom integration strategies across platforms can deliver faster results, such integration may be in combination of online and offline channels. The higher cost for online channels is only a cost of time spent for search engine friendly content creation, but this cost can be leveraged by generating organic search traffic, that is technically free of cost. More over social media platforms are also cost free way to connect with followers who are actually interested to hear.

### **Conclusion**

This is an era of technical revolution. With growing Internet, smart devices and digital platforms marketers look forward to take advantage and leverage ROI. Still offline channels cannot be ignored totally since some of the countries are still struggling with IT infrastructural development. For a global organization both offline and online channels may be effective at their place for separate geographical segments. A real challenge today for CMOs is to integrate their online and offline channels in real sense. That's where effective marketing integration platforms are needed. Recently, oracle launched 'Adaptive Intelligence Applications' (AIA), innovated on ground of machine learning technology, having separate module for marketing.

Audience responds to the information that matters to them. Reason behind flop online marketing strategies are mistakes made to define audience. A proper review and reforms based on technical analytics do deliver better results. Technology is just being introduced today and for sure it will be a major game changer in the marketing industry tomorrow. For this reason, it should be priority of a marketer to stay updated for latest technology trends to well strategies their MarCom efforts.

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# Challenges Faced by Established Women Fashion Entrepreneurs in Kerala During Initial Business Stage

Fezeena Khadir<sup>1</sup>

Emlyn Pigares, Namitha B Asif, Rithu A R, Shada Jilda & Sheeba Mary Joseph<sup>2</sup>

## Abstract

For a long period of time, entrepreneurship was a male-dominated phenomenon, but time and situations have changed over the period. Women have faced a lot of pressure with respect to time, human resources, physical limitations and social constraints, which have limited their ability to grow in businesses. Nowadays, women entrepreneurship is gaining attention and importance and this in turn is creating opportunity for economic growth and development.

This study shows the social and professional life of women fashion entrepreneurs in Kerala. The aim of this paper is to identify the challenges faced by women entrepreneurs during their start-up phase till the present period. The results of this study can be helpful to motivate the upcoming women entrepreneurs for creating employment and subsequently building the nation's economy. This study also provides useful information for future entrepreneurs interested in fashion business in the apparel industry.

**Keywords:** Challenges, Development, Entrepreneurial Success, Fashion Business, Start-ups, Women Entrepreneur

## Introduction

In the words of APJ Abdul Kalam, "Empowering Women is a prerequisite for creating a good nation, when women are empowered, society with stability is assured. Empowerment of women is essential as their thoughts and their value system lead to development of good family, good society and ultimately good nation". Women of the 21<sup>st</sup> century have a major role in the economic growth. Women around the world show a great impact through entering the business world and capturing the success through their skills and knowledge. Current population rate estimation of India is around 121.1 crores of people and Kerala has population of 1.8 crores (Census report, 2011). Current literacy rate of India is 74%, in which Kerala with 100% holds the first position for literacy rate, which has been a constant since the year 2001. At a global level, around 126 million women are running their own businesses with India having around 8 million women doing their part.

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Kerala's aspiring female entrepreneurs are building their dreams irrespective of obstacles, barriers and other family impediments. Changes in the perception, by and large, on education, acceptance of women entrepreneurship, better financial access and rise of role models have inspired women to start their own business. An entrepreneur is "one who risks success in order to capitalize on new endeavors by being the business between the supplier and customers" (Drucker, 1985). In India, entrepreneurship is considered as one of the finest means of triggering economic and social development (Venkatsubramaniam, 2003).

Women these days are no longer constrained to just being homemakers, they are considered as backbone of not just their own home, but the economy of their country. According to Santos & Mustafa (2016), entrepreneur can be defined as "a person who can lead innovations, with a management capability to create value and undertake risks". "Women Entrepreneurship" means an act of business ownership and business creation that empowers women economically, increasing their economic strength as well as position in the society. They are successful in all spheres and have shifted from kitchen to higher level of professional life. Having knowledge of the industry, being hands-on with the current trends and innovativeness are extremely important in any apparel business (Granger & Sterling, 2002). Considering the small-scale sector, garment production units alone provide 40% of jobs in India, in addition to offering abundant opportunities for entrepreneurs to grow and excel (Rao & Joshi 2010).

Emergence of women entrepreneurs in a society primarily depends on changing social, psychological, economic and cultural dimensions which invoke a positive effect in their economic participation of any developed and developing countries. There are three distinct phases in development of a company, namely, the start-up, relative stability and the growth and development. The association of women in various fields is very important in order to transform the country from developing to developed country. When a woman is empowered, it paves way for sharpening competencies, better decision-making and thereby increased self-confidence, which in turn empowers the family and society at large.

Government of India has also given appropriate importance to women entrepreneurship in the country and several schemes have been introduced for the development of women entrepreneurs. The basic objective of developing entrepreneurship is to enable the society to generate productive human resources as well as to mobilize and sustain them for the subsequent process of development.

Women entrepreneurship needs to be given a distinctive image for two main reasons. The first reason is that women's entrepreneurship has been recognized during the last decade as a significant untapped source of economic growth. Women entrepreneurs create new jobs for themselves and others, and by being different, they also provide society with different solutions to management, organization, and business problems as well as to the exploitation of entrepreneurial opportunities. The recent Bollywood films like *Padman* and *Sui dhaaga* would prove the organized efforts of women with entrepreneurial capabilities in India

According to Kamala Singh, "A woman entrepreneur is a confident, innovative, and creative woman capable of achieving economic independence individually or in collaboration generates employment opportunities for others through initiating establishing and running an enterprise by keeping pace with her personal, family and social life".

This paper examines the constraints and opportunities that female apparel entrepreneurs have been exposed to in a developing society and seeks to provide a detailed account of future prospects for upcoming apparel entrepreneurs.

## **Literature Review**

Being a successful fashion designer is about more than just making great garments (Gelhar, 2008). It includes combination of diverse skills, among which, creativity, business acumen, social skills, management skills and dedication are the crucial ones. The main challenge for the fashion entrepreneur within the startup phase is to reach break-even and survive. Women entrepreneurs can play a vital role in the development of small business sector. They can play an influential role in the emerging economies. The startup phase can last between six months to three years. The fashion industry is very accessible and allows unprepared entrepreneurs with diverse backgrounds, skills and motivations to enter. There is no need for big start-up capital to start producing clothing (Nagarandeh, 2008). The common entrepreneurial profile is a designer lacking business skills or business-educated entrepreneurs lacking design notions.

Vallone (2008) found that one should be disciplined, innovative and ambitious, with an extremely well thought-out business plan, financial plan and an advisory board with a financial advisor and mentor upon starting their business in order to become a successful apparel entrepreneur. Anis & Hasan (2013) in their study on Bangladeshi women entrepreneurs identified that women initiated new ventures, small to medium-sized businesses and small enterprises instead of confining them to the comforts of home. These initiatives indeed contributed to the national economic growth.

Hisrich (1990) has defined that the entrepreneur is “the person who can take the initiative of creative thinking and the ability to organize socioeconomic scenarios to transform certain opportunities of resources and situations to practical entity and can bear the risk and failure probabilities”. A woman’s entry into the business comes with a whole host of challenges like the ability to establish and lead the business activities and to manage all uncertainties, which exist in the entrepreneurship process and home front. For a fashion entrepreneur, the main challenge is faced during the start-up phase. Studies say that exploration involves being creative and experimenting with novel designs, techniques and materials to be efficient in the management of current business demands. This balance between artistic and economic consideration is needed to ensure long-term survival. Fenwick & Hutton (2000) in their study established that many women described success subjectively as freedom to choose daily activity, ability to balance between work and family, contribution to the community, the quality of life and the status they achieve. Entrepreneurial characteristics are very essential to be identified among entrepreneurs as it has received attention all over the world. More studies have been done on entrepreneurial characteristics that relate with the success of entrepreneurs. Women entrepreneurs usually are more creative in solving their problems for the growth and success of their business (Bakri and Mardziyah, 2012). They identified seven factors important for sustainable growth for Malaysian women entrepreneurs, namely, financial and spiritual aspects, strategic choices, social capital, innovation, government policy and personal goals.

Fashion entrepreneur has to be aware of and understand the targeted segment (Negarandeh, 2008; Gelhar, 2008). Decisions on how to market the fashion company and its brand including the evaluation of product design and quality, distribution and communication, pricing and brand image need to be taken, in order to satisfy the requirements of the entrepreneurial vision (Negarandeh, 2008). One of the biggest challenges is the clarity and consistency within branding and marketing. If the primary challenge for the fashion entrepreneur is to find the right employees for fulfilling the requirements, the secondary is to build strong relationship with the suppliers in order to build trust and a better understanding of each other's requirements (Negarandeh 2008, Hauge 2012). The development phase is the one in which fashion entrepreneurs are required to spend large amounts of money on materials and sampling. For the day-to-day running of the organization, it is essential that they maintain a level of working capital needed (Negarandeh, 2008). The segment, in which the fashion entrepreneur operates, depends on their characteristics like orientation, motivation, creative-commercial balance, and do not directly imply a challenge for the entrepreneur (Almanza & Berg, 2016).

An entrepreneur can be considered successful when he/she accomplishes in creating an economic value (Dhaliwal, 2000). Being owner of a business is also a challenging role that women have to play along with her other familial and societal roles. Today, women entrepreneurs epitomize a group of enthusiasts who are exploring the road less travelled in search of new avenues of economic participation (Shah & Mehta, 2009)

Soundarapandian (2008) in a work on women entrepreneurs in readymade garments in Ernakulum district of Kerala covered 80 women entrepreneurs out of which 92% were sole proprietors of their units. All these were young married women of the age group of 30-35 years. Though all units earned profit, it was observed that women who had undergone special training in tailoring could earn higher profits because they could cater to the changing demands of the market.

Based on these studies, the objectives of the current research were set as the following:

- To investigate characteristics, level of business planning and success rates of women apparel entrepreneurs from a variety of careers and backgrounds within the apparel industry.
- To summarize the challenges faced by the women entrepreneurs in Kerala.
- To discuss the measures needed to improve the opportunity of women entrepreneurs

## **Research Methodology**

Structured interviews were performed to collect primary data for the study. Ten women fashion entrepreneurs who are currently in business for at least the last 5 years across Kerala were identified. Entrepreneurs were selected from Trivandrum, Kochi, Calicut, Kannur and Kasargod districts of Kerala. The data collected were dependent on the interviewee's perceptions and interpretations of how these challenges affected them. Details regarding their personal situation and context during their start-up process were investigated.

## Data Analysis & Findings

Table-1 shows the details of entrepreneur 1 through 10 based on the variables like location, educational qualification, type of business, business experience, initial investment, source of finance, break-even period and number of employees. Their names and label have not been mentioned based on their request.

**Table-1:** Details of the Entrepreneurs Interviewed

Criteria	Respondent: 1	Respondent: 2	Respondent: 3	Respondent: 4	Respondent: 5
<b>Location</b>	Kasargod	Kannur	Kannur	Calicut	Pattambi
<b>Educational qualification</b>	B.com	Fashion Design	Textile design, Diploma in fashion & merchandising	Engineering	Fashion Design
<b>Type of business</b>	Sole proprietor	Sole proprietor	Sole proprietor	Partnership	Partnership
<b>Business experience</b>	6 year	8 year	20 years	9 years	7 years
<b>Initial Investment</b>	3 lakh	14-18 lakh	6 lakh	5 lakh	7 lakh
<b>Source of Finance</b>	Self financing	Self financing	Self financing & loan	Self financing	Self financing
<b>Break-even period</b>	6 month	1 year	1 year	-	8 month
<b>No. of Employees</b>	16	50	-	1	10
Criteria	Respondent: 6	Respondent: 7	Respondent: 8	Respondent: 9	Respondent: 10
<b>Location</b>	Malappuram	Kochi	Kochi	Kochi	Trivandrum
<b>Career</b>	Fashion design	Degree in Psychology	Fashion design	B.Com	B Sc, MBA in fashion Management
<b>Type of business</b>	Sole Proprietor	Sole proprietor	Sole proprietor	Sole Proprietor	Partnership
<b>Business experience</b>	11 years	3 years	4 years	8 years	4 years
<b>Initial Investment</b>	5-10 lakh	1 crores	15-20 lakh	4 lakh	-
<b>Source of Finance</b>	Self Financing & loan	Self financing	Self Financing	Self financing	Self finance
<b>Break-even period</b>	-	1 year	-	1 year	7 month
<b>No. of Employees</b>	10	5	25	11	13

The following are the major factors which entrepreneurs faced during their initial phase:

### Work – Family Interface

The major challenge faced by the women entrepreneurs in this area was to balance both business and family. They opted to take double workload and challenges derived from combining business with family whilst self employment provided flexibility. The amount of time spent for caring the children were less, but still they found time to manage their family life as it was given the highest priority in life. The findings indicate that women strongly depend on support from husbands, partners and relatives in order to effectively start and grow a business.

### *Access to Finance*

Women entrepreneurs appeared to have less access to external sources of finance. They used own funds and those borrowed from their spouse or family to set their business. Most entrepreneurs relied on family finance or at the most from partners.

### *Lack of Awareness of Legal Support*

The lack of awareness on government support in terms of policy, laws and services was another outcome of this research. They also feared unwarranted exploitation during initial days due to ignorance.

### *Competitive Factor*

The ambition, self-confidence, innovative-ness, achievement, motivation and risk-taking ability were essential qualities of entrepreneurial career. Though the competitive factors were not affecting them, as fashion entrepreneurs, they faced problems of design infringement, where designs were copied and sold at lower prices. Another pertinent problem that some women fashion entrepreneurs faced was poaching of their labourers by other designers after having trained them well.

### *Location and Mobility of Entrepreneurs*

A few women entrepreneurs who had been interviewed were natives of other states married to Kerala. They initially faced problems with the difference in dressing style and culture to cope with designs they had made and also faced problem in terms of language with the staff and costumers, but later they got adapted to place, people and language.

### *Lack of Raw Materials*

The availability of raw materials is limited in Kerala, therefore the entrepreneurs travel to different states for sourcing. Even in other places it takes time for them to find the right material at the right place. The quality of the materials used is a big factor that keeps their design and products unique from other competitors.

## **Suggestions**

Woman entrepreneur is a person who accepts challenging role to meet her personal and professional need and become economically independent. This research facilitated networking with some enthusiastic entrepreneurs of Kerala and understanding their successes and the hindrances. The study has shown that the women business owners are making significant contributions to the state's economic development. As per the analysis of the interviews conducted, women entrepreneurs have demonstrated the ability to build and maintain long-term relationships and networks to communicate effectively, to organize efficiently and to be aware of the needs of their environment and to be sensitive to cultural differences.

Course curriculum in formal education may be designed with proper personality development and theoretical knowledge on entrepreneurship so that they can use this knowledge for further purposes. This conforms with the suggestions of Rao, Venkatachalam & Joshi (2012) to educational institutions to develop an academy strategy in order to train women entrepreneurs. There are many initiatives by

the government to empower women entrepreneurs like training camps led by professionals for students, employees and unemployed women. These classes are conducted in such a way that people become more aware of different business strategies, investment process, the target market, self-development training, business research, motivational classes etc. Lack of confidence and self-esteem can be build up by the motivational speeches and in-depth talks by successful women entrepreneurs running various streams of business.

In Kerala, The Youth Entrepreneurship Development Programs (YEDP) is a highly intense and focused scheme by Govt. of Kerala, for the startups to improve their entrepreneurial talents during incubation period. Kerala government offers support to women entrepreneurs; Kerala State Industrial Development Corporation (KSIDC) has launched 'We Mission' to support women entrepreneurs in the state. The corporation expects to offer mentoring support to over 1000 women in the state to start business during the next one year.

## **Conclusion**

"Women don't want just a piece of the pie, they want to choose its flavor themselves and know how to make it themselves", as rightly said by Ela Bhatt of SEWA. Most of the women entrepreneurs interviewed were married women who were extremely confident in running and expanding the business with the support from family members. The essential challenges faced by women entrepreneurs in establishing and growing the business is the work-life balance and increased competition. More research is needed on the topic of strategies to combine business with family in general, i.e. how to engage family members in supporting women entrepreneurs in developing countries.

Our society has accepted the new women entrepreneurs and they are going places with their ideas and enterprising nature. Young women entrepreneurs should share their success stories in the world of e-commerce to speed up entrepreneurial movement in India. During the start-up phase, every woman has to face a lot of problem. There are many institutions with many schemes to help women as an entrepreneur. This research found that entrepreneurs are a bunch of enthusiastic and innovative people with positive attitude, risk-appetite, ambitious and disciplined in characteristic. Women empowerment helps to make the society, a better nation and a better world where women can make a difference.

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# Green Marketing by FMCG Companies – Emerging Dimensions

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## Abstract

The environment and associated issues warrant more attention due to the ever increasing rate of development, escalating population pressure, use of ineffective productive technologies and overexploiting inclinations to achieve maximum benefits. All these have resulted in degradation of environment, thereby negatively affecting the delicate balance between individuals and resources apart from impacting the health of general public. A large number of companies have taken the resolution for achieving this objective by promoting green practices and encouraging customers to do the same. Several FMCG companies are accommodating their efforts and initiatives towards conservation, protection and upgradation of environment from overexploitation of resources in their green marketing plan.

**Keywords:** Companies, Environment, FMCG, Green Marketing, Protection

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## Introduction

In today's times, protecting the environment is more vital than ever. The environment and associated issues warrant more attention due to the ever increasing rate of development, escalating population pressure, use of ineffective productive technologies and overexploiting inclinations to achieve maximum benefits. All these have resulted in degradation of environment, thereby negatively affecting the delicate balance between individuals and resources apart from impacting the health of general public. The environmental effects of even a one person's actions are significant to the earth's health. By using energy-inefficient vehicles, littering, not recycling, and by wasting water, an individual can have a huge, negative effect on the environment. Moreover, a company, especially a big company, can have an even greater impact. Across all sectors, the companies have effects on the environment. Air pollution from factories, paper waste from offices, energy inefficient vehicles etc., have magnified the effect on the environment for the reason that companies tend to produce much more waste than individuals. No matter what the sector is, it is necessary for companies to take accountability for their environmental footprints. Fast-moving consumer goods (FMCG) sector is the 4th largest sector in the economy of India with household and personal care accounting for 50 per cent of FMCG sales in our country India. Increasing awareness, easier access to the products, as well as changing lifestyles have

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been the key growth drivers for FMCG sector. Considering the need of a healthy environment, the environmental concerns on the part of companies require more attention, which is also applicable to FMCG sector. FMCG is one of the leading markets in India and hence the green practices of such a large sector contribute highly to the welfare of the society through saving environment.

## **Need for Green Marketing**

However, keeping the objectives of sustainable development in consideration, it is also necessary that the third pillar of sustainable development i.e., environment besides economic and social development also gets the same significance from all quarters. The deteriorating air quality as a result of emissions from power plants, industries, fossil fuel burning etc., is much deploring and requires urgent as well as concentrated efforts on the part of companies to improve it. The companies need to enhance their ongoing endeavours in these areas. It is imperative from the scope and concept of sustainable development that corporate sector must not function under competitive pressures to achieve short-term goals of profits, which can jeopardize long-term objectives of environmental protection. Considering the present conditions of environmental degradation, it is highly expected that besides getting profits, the policy, acts and functioning of the corporate sector should ideally be proactive to provide sufficient space for long term goals of environmental protection. This is where the concept of 'Green Marketing' emerges into the forefront. Environmentally responsible or 'Green Marketing' is a business practice that takes into account concerns about promotion, preservation and conservation of the natural environment of the planet. Here it is also significant to mention that several companies have put into practice different interventions in the past targeting to decrease the environmental degradation such as, restructuring of process, usage of alternative or green technology, most advantageous use of raw material, recycling, sustainable harvesting of raw materials and many more methods, which are also part and parcel of the environmental affairs. Although the planning for 'Green Marketing' is the sole prerogative of any company, but in the present circumstances it is appropriate time and considered necessary for corporations to accord priority to environmental concerns in their marketing plans to accomplish the long term goals of sustainable development.

## **Green Marketing Practices by FMCG Companies**

In an increasingly environmentally conscious world, the companies are bound by an ethical as well as moral obligation to protect the environment. The corporate sector can take various steps to ensure the environment's protection. Several companies have taken upon themselves to accomplish this objective by endorsing green practices and encouraging customers to do the same. Several FMCG companies are accommodating their efforts and initiatives towards conservation, safeguarding and amelioration of environment from overexploitation of resources in their green marketing plan.

## **ITC Limited**

ITC Limited is an Indian company based in Kolkata, West Bengal. FMCG is a

vital segment of this company. The company focusses on different strategies to protect the environment. Following are some measures adopted by it:

### **Water Management**

During the year 2016-17, ITC's total water intake was 31.29 million kilolitres (kl), with a decrease of 7.43% over the previous year (33.80 million kl in 2015-16). This performance is primarily attributable to the on-going initiatives undertaken by ITC towards water conservation across its units. Out of the 31.29 million kl of total water intake by ITC, 78.79% of water resources were sourced from surface water, 18.71% from ground water sources and only 2.50% from municipal and other water sources.

### **Waste Management**

During the year 2016-17, ITC Units generated 7,11,411 tonnes of waste whereas 7,45,149 tonnes were generated in 2015-16. This 4.5% decrease in total waste generated by ITC over previous year was primarily due to reduction in fly ash waste in Bhadrachalam unit of the Paperboards and Specialty Papers Division. In order to continuously improve performance in resource conservation, all ITC Units have developed systems for tracking and monitoring the specific waste generation, that is, waste generated per unit of product/service.

### **Flow of Materials into ITC**

Most of the ITC's businesses mainly depend on agro-based raw materials. During the year 2016-17, ITC processed 21,29,068 tonnes of materials and out of which around 95% (20,23,548 tonnes) were from renewable sources such as, agriculture and forestry. The Paperboards and Specialty Papers Business contributes to more than 73% of the total raw materials procured by ITC. During the year 2016-17, 17,02,890 tonnes of materials were processed by the Paperboards and Specialty Papers Business and out of which 99.6% were renewable. ITC has contributed greatly towards the objectives of the National Forest Policy, by establishing a partnership with farmers through farm forestry and social forestry schemes, which have led to massive afforestation and has helped millions of farmers as well as ensured responsible sourcing of wood fibre for its manufacturing requirements. As on March 31, 2017, ITC's Social and Farm Forestry initiatives have greened more than 6,20,000 acres of land. Moreover, in the current year, over 120 million high yielding, site specific, disease resistant eucalyptus and subabul saplings developed in-house have been distributed to farmers. Besides, the obvious benefits of increasing the green coverage, afforestation taking place on degraded wastelands under the Social Forestry Programme also directly contributes to *in situ* moisture conservation, ground water recharge as well as considerable decrease in topsoil losses caused by wind and water erosion. Besides this, as a result of leaf litter from multi-species plantations and the promotion of leguminous intercrops, soils are regularly enriched.

### **Biodiversity**

ITC has successfully set up biodiversity conservation plots as part of its Natural Resources Management projects. Till now, under this programme, ITC has developed 308 biodiversity plots including farmers and community members

covering a total area of 11,803 acres in 15 districts. The initiative has also benefitted in conserving myriad species of floral and faunal diversity, comprising birds, butterflies, reptiles and amphibians. During the year 2016, around 14,307 acres were covered under the soil conservation programme in the states of Andhra Pradesh, Karnataka, Telangana and Rajasthan. Furthermore, in order to safeguard the ecosystem, during the year 2016, the company had set up around 43 toxic waste collection centres in 43 villages (Andhra Pradesh and Karnataka) by including local community, village panchayat and farmers. The toxic wastes collected in such centres are disposed in a scientific way and safely incinerated at the state pollution approved facilities.

## **Hindustan Unilever Limited**

Hindustan Unilever Limited is an Indian consumer goods company, which is based in Mumbai, Maharashtra and is a subsidiary of Unilever, a British-Dutch company. The company takes into consideration following measures for reducing its carbon footprints:

### ***Reducing Greenhouse Gas Emissions from Transport***

The company has implemented innovative techniques in diminishing the miles its products travel to reach the market. It has re-designed its networks and enhanced direct despatch from factories to customers in 2016 decreasing the distance travelled by 2%. The company regularly reviews its road transportation for identifying the area where it can enhance efficiency, like ensuring optimal load fill that diminished the number of trucks used during the year and reduced the CO<sub>2</sub> emissions for ice creams by another 2%. Moreover, the company reduced its CO<sub>2</sub> footprint in warehouses by 10% by re-designing its networks and through installation of LEDs in its distribution centres. All of these initiatives collectively led to overall reduction of 750 tonnes of CO<sub>2</sub> in 2016.

### ***Reducing Greenhouse Gas Emissions from Refrigeration***

On the part of company, there is continual roll out environment friendly freezer cabinets which use hydrocarbon (HC) refrigerants. Moreover, there are currently 55,000 freezers with HC technology in the company's fleet in the country.

### ***Reduce Energy Consumption in its Offices***

A number of the energy reduction initiatives in its offices encompasses installation of solar panels on terraces to provide electricity to office expanse as well as power to streetlights, replacing conventional street lights with LED lights, retrofit fluorescent lamps with LED lamps, pull cord switches for office lighting; and application of cool roof paint to lessen the penetration of heat into the air conditioned offices. These initiatives have aided in reducing electricity cost and making its offices environment friendly.

### ***Reduce Employee Travel***

Video conferencing and tele-presence facilities were effectively applied to ease travel requirements of the company's employees, thereby lessening the impact of employee travel taking place on the environmental footprint. In 2016, more than 4,000 meetings were held making use of tele-presence facilities.

### ***Reducing Water Use in Manufacturing***

Water usage (cubic meter per tonne of production) in the company's manufacturing operations has decreased by 53% in comparison to 2008 baseline. Initiatives such as, captive rainwater harvesting as well as usage in processes and utilities, expansion in condensate recoveries, decrease of water losses from boiler and cooling tower have contributed to this reduction. Rainwater consumption and usage augmented as more factories joined the list of units consuming rainwater for numerous processes and utilities. Water extraction abstraction from natural resources was further lessened as the company conducted the latest effluent treatment technologies in its manufacturing units. These technologies are just as effective as conventional treatments but need less space.

### ***Reducing Waste from its Manufacturing***

Total waste generated from the factories diminished by 45% in 2016 as compared to 2008. Factories recognised newer avenues for re-use and energy recovery from waste, besides the current reduction and recycling streams, within the purview of statutory guidelines of waste disposals. The company has maintained the status of 'zero non-hazardous waste to landfill' from entire factories and offices. All of the factory generated non-hazardous waste was recycled in environment friendly manner.

### ***Reduce Packaging***

Innovations in packaging led to decrease in the use of plastic in 2016. The company has substituted commodity polymers with performance based polymers, optimised the packaging designs and transformed the packaging arrangements of its products to consume a smaller amount plastic. Consequently, it has decreased waste generated due to polymer by 1,400 tonnes. Besides this, the company has also saved 7,000 tonnes of paper across categories and 50 tonnes of glass in Foods category through material usage optimisation. Along with material waste reduction, packaging process optimisation enabled 350 tonnes of decrease in CO<sub>2</sub> emission in cosmetics category.

### ***Recycle Packaging***

It has started using r-PET (80% recycled PET) in its blister packs for personal care brands such as Pepsodent toothbrush and Fair & Lovely.

### ***Reuse Packaging***

It provides consumers with refill packs in its home and personal care portfolio so that it is convenient for consumers to reuse the primary pack. For decreasing packaging waste footprint with mind-set of extending the lifecycle of packaging for envisioned usage, the company has deployed reuse of secondary packaging systems for fetching packaging material from its suppliers to factories.

### ***Reduce Office Waste***

A number of the waste reduction initiatives in its offices comprised of use of bio composter to compost food waste from canteens, usage of ceramic cups in all pantries instead of paper cups and installing jet hand dryer in washrooms to decrease use of paper towels.

### ***Sustainable Paper & Board***

It has sustained its quantities of sustainably sourced paper and board for packing its products at 99% in 2016. This paper & board has been obtained from mills that are Forest Stewardship Council (FSC) certified. It has reduced the usage of paper and board by moving to low GSM (Grams per Square Meter) alternative in cartons of certain brands such as, Dove, Fair & Lovely and Pears.

### **Marico Limited**

Marico is an Indian consumer goods company providing consumer products and services in the areas of health and beauty. The company is based in Mumbai, Maharashtra. Green manufacturing is the visualization that is the core of the company's environmental concern. It is a holistic approach that comprises of energy efficiency, reduced water consumption, waste management, renewable energy as well as greener manufacturing processes and technologies.

The company has pursued six material areas which are very vital to its business in present scenario.

#### ***Sustainable Procurement***

As the company's material and service requirements are varied, sustainable procurement becomes vital for the business. It aims to procure goods that are economically viable and which benefit the organization, customers, society and also the environment.

#### ***Energy Management***

The company aims to lessen its energy consumption and adopt environmental-friendly production technologies.

#### ***Water Management***

Availability of water is a worldwide challenge currently and as a part of its continuing sustainability commitment it aims to set new benchmarks in this material area of its business.

#### ***Waste Management***

Waste management is an area of great relevance to its business and the company is committed to reducing its waste on a year-on-year basis and having a vigorous waste recycling as well as reusing mechanism in operation.

#### ***Product Responsibility***

The products that the company manufactures are used by people every day, and so consumers hope that its products are environmental friendly as well as socially responsive. Hence, the company intends to provide products that are safe in nature and do not have adverse effect on the environment as well as community, at the same time maintaining high quality standards.

#### ***Future-Ready Capability Building***

Building competencies is an ongoing process; especially in an ever changing

environment it becomes essential to build future-ready capabilities for business and individual growth.

### Impacts

- \* All manufacturing units are ISO 14001 and OSHAS 18001 certified
- \* Baddi unit secured GREENCO GOLD certification
- \* Perundurai unit operates on 100% renewable energy
- \* 80% reduction in fossil fuel use
- \* 32% reduction in energy intensity
- \* 74% energy is through renewable source
- \* 86% fuel used is agro-waste
- \* 54% reduction in GHG emission intensity
- \* 22% reduction in specific water consumption

Source: <http://marico.com/>

## Godrej Consumer Products Limited

Godrej Consumer Products Limited (GCPL) is an Indian consumer goods company based in Mumbai, Maharashtra. Godrej Consumer Products Limited is committed to making environmental sustainability a significant part of its manufacturing processes. By decreasing its energy needs and carbon emissions, as well as managing its waste and usage of water, it is a winning situation both for its business and also the earth. From sourcing of raw materials to the technologies it uses, the company ensures that its overall manufacturing approach is more futuristic. At its Malanpur manufacturing plant it has implemented various energy-efficiency measures like steam optimisation, installation of energy-efficient LED lighting, and optimisation of pumps and compressed air system among others

Progress of its manufacturing plants till June, 2017, compared to 2011 baseline:

- \* Reduction in specific energy consumption – 22%
- \* Reduction in specific water consumption – 11%
- \* Reduction in specific greenhouse gas emissions – 37%
- \* Reduction in specific waste to landfill – 93%
- \* Increase in energy consumption from renewable sources – 30%

Source: <http://www.godrejcp.com/>

## Sustainable Sourcing Initiatives

The company works closely with its suppliers and the manufacturing team to explore and execute, recycle and reuse programmes which are favourable to the environment. It has developed a Sustainable Procurement Policy in financial year 2015-16, which spreads beyond compliance to encompass internationally recognised standards and is applicable to all its suppliers. Close to 50 per cent of its suppliers are local and the company also source nearly 50 per cent of its materials locally, which helps it to reduce emissions and its overall carbon footprints. With its conscious local sourcing efforts, the company has lessened the distance travelled by its incoming materials by more than 19,400 km.

## **Asian Paints Limited**

Asian Paints Limited is an Indian multinational paint company, which is headquartered in Mumbai, Maharashtra. Asian Paints Ltd has constantly tried to improve its products with an intention to improve safety, diminish carbon footprint, conserve natural resources and lessen waste. The company is committed to protecting the environment by the following measures:

- Leveraging the 3R (reduction, recycle, reuse) Principle and move in the direction of Zero Industrial Effluent Generation, Zero Hazardous Solid Waste
- Generation as well as Zero Virgin Paper Consumption
- Growing into being Water Neutral by pursuing strategies of Rain Water Harvesting, Water Conservation as well as Water Recharge.
- Diminishing Energy-Intensity and Carbon-Intensity
- Enhancing contribution of Energy from Renewable Sources

## **Amul**

Milk Producer members of Gujarat Dairy Cooperatives, which is widely known as AMUL have been celebrating the nation's Independence Day in a unique way by planting lakhs of saplings across Gujarat and have made efforts towards an ambitious plan to save the environment by planting trees, making India green and thereby diminishing the effects of global warming. The milk producers of Gujarat Dairy Cooperatives are conducting mass tree plantation drive each year on Independence Day for the last many years. From 2007 to 2016, the milk producers have planted around 619.7 lakhs trees. The most noteworthy attribute of these whole programmes was that it has been commenced by milk producer members of the dairy cooperatives. The distinctive fact about the programme was that the milk producer members took up the oath to protect saplings of tree till it survives and develops into tree.

## **Dabur India Limited**

Dabur India Ltd. is one of the leading FMCG companies in India. Dabur's Water Conservation and Management project, Desert Bloom, in Rajasthan has been designed in accordance with the state Government's Mukhya Mantri Jal Swavalamban Abhiyaan. This project has helped 765 families in 3 villages in Newai (Tonk district) to overcome the water crisis in the region during dry months and gain access to water for their daily use as well as irrigation needs. This initiative has aided to improve the water table by 8 to 10 feet, besides recharging the tube wells.

## **Pidilite Industries Limited**

Pidilite Industries Limited is an India based manufacturing company. Its corporate office is situated in Mumbai, Maharashtra. The company has supported activities for conserving water and efficient usage of water soluble fertilizers. A total of 512 hectares of farm land were covered under the scheme of drip irrigation. The company has also done continuous well water recharging, for improving the condition of ground water. During the year, a total of 221 wells were recharged across 27 villages of Mahuva Taluka.



## **Benefits of Green Marketing**

There are immense benefits of green marketing for the company as well the environment.

### *Recycling Reduces Costs*

Companies frequently can save money by instituting green policies. Corporate sector tends to produce large quantities of waste. From excess packaging to uneaten food, this waste makes a huge environmental impact through increased deforestation, more usage of energy and filling up landfills. By using recycled products, companies can reduce their environmental impact as well as cost. By making the business environmental friendly not only benefits the environment but can also save company's money. Avoiding, reducing, reusing and recycling can lessen a company's costs. For example, a few simple amendments as to how a business house deals with paper by involving its staff in environmentally friendly processes can result in saving money. Depending on how big the office is, the amount of paper waste it generates can be vast. When paper waste is thrown in the trash, it ends up in the landfills. So, the foremost step companies can take is implementing recycling rules. The used paper can and should be recycled. The staff can avoid using materials unnecessarily or reducing the paper needs by printing double-sided. Moreover, by reusing, that is, by using scrap paper for taking messages instead of purchasing message pads can also be helpful. The company can also recycle, that is, by shredding excess paper. The company could recycle this commercially or alternatively it can invite staff to take it home for their compost or mulch heaps.

### *Good Practice can Attract New Customers and Retain Staff*

A company by promoting its environmentally friendly methods can distinguish its business from its competitors and appeal new customers who want to purchase products and services from an environmentally friendly business. By focusing more on its environmental effects a company can also aid in attracting and retaining staff. Business promotions that raise awareness of environmental issues don't just help in the protection of environment; they also can improve business. A company can try having a weekly promotion offering customers a free or discounted item for bringing in a recyclable bag or box. Policies that encourage customers to decrease their waste like offering a discount for using reusable bags or providing a recycling bin at the business can assist companies to turn into leaders in the environmental protection movement as it may create awareness of environmental issues among customers. Offering disincentives for waste, such as charging a fee for plastic bags, will also support in this direction. Then again, a company can sponsor a community garden, or offer classes on environmental issues. The right promotion on the part of the business depends upon the precise nature of the business, but events or options that draw in customers can cause them to patronize the products of the company because environmentally conscious customers are more expected to patronize green businesses.

### *Improves Sustainability*

By reducing the environmental impact of its business a company is going to improve the sustainability of its business. If a company is less dependent on natural resources than its competitors and have ways to deal with increasing costs because

of climate change, its business will have a bigger chance of long-term success. By switching to environmentally-friendly materials a company can go a long way. Plastics are detrimental to the environment. By decreasing use of plastics, or by recycling or switching to other materials altogether, companies can reduce their negative impact on the environment. Another method a company can resort to is digitization. Almost all companies have offices of one kind or the other. In offices, paper waste is a common problem. Usage of paper can altogether be minimized by digitizing as much as possible. Running an environmentally friendly company helps it to reduce its impact on the environment and preserves natural resources. A company can help the environment in numerous ways such as, by using products that decreases its reliance on natural resources such as using rainwater tanks, solar hot water systems. The company can also use products that are made from recycled material such as, office supplies made from recycled plastic, furniture made from recycled rubber. By looking at all its business activities to see if it can do anything differently such as, reducing air travel by holding conference calls instead of interstate meetings, a company can go a long way in sustainable development. Moreover, green energy is any energy that diminishes the impact on the environment by reducing waste or decreasing the use of fossil fuels. Some examples are wind turbines, electric cars and solar energy.

## **Conclusion**

Many FMCG companies have announced ambitious sustainability plans to reduce their carbon footprint and save environment. Environmental protection has become a vital part of business activities around the world including India. One of the most important roles for companies across industries is to move towards attaining their sustainable goals and protect the environment. The pursuit and efforts of companies to attain sustainable development further compelled the adoption of numerous environment protection initiatives more prominently as their contribution to society. This allows companies to diminish their environment footprint and emerge as green marketers. Through this approach, the priority areas and matters of environmental degradation shall get extra attention and secondly, the activities or initiatives can be sustained for long period of time, thereby giving recognition to the company.

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# Attitudes Towards SMS Advertising: Driving Consumer Acceptance of Mobile Marketing

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## Abstract

This paper aims to investigate the effectiveness of SMS advertising and to determine whether this new type of advertising is more effective for different kinds of messages, products and services. This study discusses about the Consumer Behavior & Traditional advertising as well as Mobile advertising. It also gives a brief about how right to privacy should be balanced with the right to market by establishing mechanisms of consumers' choice. The theoretical contribution of this study lies in outlining the key factors that influence consumers' attitudes toward SMS advertising. Mobile advertising is an unprecedented way of marketing communications.

Findings provide evidence supporting earlier literature that to be successful in SMS campaigns, messages need to be relevant, highly targeted, personalized and of value added content. Although respondents showed a fairly neutral support for text advertising, mobile marketers should be delighted with a strong support for permission-based mobile marketing efforts.

For advertisers as well as media and marketing professionals, the managerial implications of this study to help them understand better mechanisms and factors leading to more effective mobile advertising campaigns. Marketers need to understand the target audience for SMS advertising campaign and send messages to consumers whereby the language and content of the SMS advertisement is in unison with the target audience's profile and expectations. This study will identify the factors affecting towards SMS advertisement.

**Keywords:** Challenges, Development, Entrepreneurial Success, Fashion Business, Start-ups, Women Entrepreneur

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## Introduction

Marketing is communicating the value of a product, service or brand to customers, for the purpose of promoting or selling that product, service, or brand. Marketing techniques include choosing target markets through market analysis and market

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segmentation, as well as understanding consumer behaviour and advertising a product's value to the customer. From a societal point of view, marketing is the link between a society's material requirements and its economic patterns of response. Marketing satisfies these needs and wants through exchange processes and building long-term relationships.

Marketing has four main pillars which are fundamental foundation block of Marketing namely Product, Price, Place and Promotion. ++Marketing communications are messages and related media used to communicate with a market. Marketing communications is the "promotion" part of the "marketing mix" or the "four Ps": price, place, promotion, and product. It can also refer to the strategy used by a company or individual to reach their target market through various types of communication. There are various marketing communication platform namely Social Media, Email, In-product communication and Branding.

The advent of Mobile phone device has created revolution and added another medium of communication. This device is also used as SMS marketing device. Mobile marketing is marketing on or with a mobile device, such as a smart phone. Mobile marketing can provide customers with time and location sensitive, personalized information that promotes goods, services and ideas. Short Message Service (SMS) is a text messaging service component of phone, Web, or mobile communication systems. It uses standardized communications protocols to allow fixed line or mobile phone devices to exchange short text messages

The term "SMS" is used for both the user activity and all types of short text messaging in many parts of the world. SMS is also employed in direct marketing, known as SMS marketing.

## **Consumer Behaviour & Traditional Advertising**

Anthony G. Greenwald ClarkLeavitt (1984) summarises the analysis deals with phenomena that has been the focus of a variety of theories of involvement in the consumer behavior literature. The major distinguishing feature of analysis is its focus on audience involvement and it's linking of levels of audience involvement to the psychological concepts of variable attention capacity, levels of processing, qualitatively different representational systems, and (indirectly) arousal. The use of these concepts permits an orderly formulation of the antecedents and consequences of involvement. Involvement is related to antecedents by means of the four principles of bottom-up processing, top-down processing, competence limitation, and capacity limitation; it is related to consequences by the association of levels of involvement with an orderly series of cognitive and attitudinal effects. Although interpretation of involvement cannot claim to encompass all the phenomena dealt with by prior analyses, it does accommodate many of them and, perhaps more importantly, it provides a framework that permits the similarities and differences among prior theories to become apparent. Because our discussion of audience involvement has indicated the complexities of this concept, it may be useful to conclude with a brief summary definition: audience involvement is the allocation of attention capacity to a message source, as needed to analyze the message at one of a series of increasingly abstract representational levels. Low levels use little capacity and extract information that is used first to determine whether a higher level will be invoked and, if so, as raw material for analysis by the next higher

level. Higher levels require greater capacity and result in increasingly durable cognitive and attitudinal effects.

## **Consumer Attitudes Toward Advertising in General**

Consumer attitudes towards advertising in general have long been found to be negative. Zano (1981) found that attitudes towards advertising became increasingly negative after the 1970s. Early surveys of consumer attitudes revealed somewhat positive results. Author has found that a majority of respondents liked advertising and found it to be informative Harris and Associates, for example, found that a majority of respondents considered TV advertising to be seriously misleading. Later studies have provided more evidence of the unfavorable public attitude toward advertising. More recent studies have focused on attitude structures. Elliot and Speck investigated six major media (TV, broadcasting, magazines, newspapers, Yellow Pages, and direct mail) finding that television and magazines exhibited the highest level of ad-related communication problems (hindered search and disruption). Perceived clutter, hindered search, and disruption were related to less favorable attitudes and greater ad avoidance. These effects varied in different media. The differences in the way different media affects consumer attitudes were also reported by Bogart. Television ads often have a higher degree of irritation than radio ads, which is less irritating because radio programs usually serve as background music.

## **Literature Review**

### *Consumer behaviour & SMS advertising*

Ross D. Petty (2003)<sup>1</sup> examined that WAM (Wireless Advertising Messages) is growing and some consumers want to avoid it. Most national marketers realize that WAM will not be effective unless it is sent to consumers willing to receive it. For this reason, the WAM and the DMA (e-mail) advocate a permission-based approach. At the same time, however, small marketers probably did not adopt WAM because it is as inexpensive as spam, but even more targeted. Because obtaining consumer permission increases the cost of WAM. At least some small marketers probably will not comply with industry guidelines. Conversely, some consumers find WAM acceptable and are willing to receive it, at least if compensated. This article suggests that the right to privacy should be balanced with the right to market by establishing mechanisms of consumer choice. If consumers wish to avoid all warn or wish to opt out of receiving future WAM from particular sources, the law should facilitate and enforce a choice mechanism. Consumers who are willing to receive WAM, or perhaps WAM from particular sources, also should be free to do so, if it is provided at a low-cost access mechanism from marketers to these consumers. In an ideal world, the principle of enforceable consumer choice would be applied not just to WAM but to all marketing communications. In this way, as new forms of marketing communications develop, marketers and consumers will understand that the old rule applies, much like the concept of "old" deception is applied to advertising in new media today. Clarification of such legal rules can reduce the overall costs of enforcement. Ambiguity or uncertainty in legal rules inevitably leads to higher regulatory and enforcement costs.

Franz Buellingen\*, Martin Woerter(2003) examined a number of social, technological and economic trends has produced an environment which promotes the demand and distribution of mobile communication services. This causes a dramatic change of the mobile communications value chain. New actors (e.g. e-commerce firms, Internet portal providers) and new services (e.g. mcommerce, portal services) enlarge the value chain in both ways, functionally and institutionally. Mobile network operators can gain advantages out of the changed economic environment, through occupying the gatekeeper role. While their current revenue base, the transmission service, will shrink, they are well positioned to extend their revenue base to other segments of the value chain (e.g. advertising, revenue sharing with content providers). Activities like the grouping of different services, the access design via portals, the mediation of contents, pricing as well as billing for the (Placeholder1) different suppliers from other lines of business will be of essential importance for mobile network operators. Thus, based on their gatekeeper role, they have competitive advantages over other players (e.g. content provider like banks) so that they most likely will succeed. However, it is not likely to be easy because UMTS changes the nature of customer relationships.

Hassim Mohamed Yunos, Jerry Gao, Ph.D. (2004) discussed that several years before wireless advertising is refined, standardized, and wholly accepted by both the advertisers and consumers. During this time challenges that are yet unseen will present themselves to the pioneers of this new media communication form. As discussed on the technical issue one of the biggest limitations in wireless advertising is slow data transfer rates. The 3G technology currently is viewed as the best candidate to overcome this problem. Once this transfer rates is overcome several creative technology such as wireless streaming, Enhanced message service (EMS), and multimedia message service (MMS) can be deployed to create a more attractive advertisement. The improvement of the transfer rates combine with the platform improvement such as better pixel on mobile devices and standardization of protocols, software, and formats, along with regulated ethical considerations for consumer privacy will determine the success of wireless advertising in the future. For wireless advertising to be successfully accepted by business and consumers, the Wireless Industry needs to resolve its many technical and business issues that are plaguing the industry. There are two most important technical issues that the wireless industry needs to resolve now. The first is to establish well-defined and acceptable standards for wireless advertising. This includes the presentation style, screen size, communication protocol, payment, privacy rules, delivery techniques, and performance measurement. The other issue is the wireless backbone as well as advertising & marketing systems. A standardized wireless protocol like WAP will make it easier and cheaper for business to establish a wireless presence. A bigger standardize backbone will improve customer satisfaction and improve the advertising content that is sent to a customer like video streaming. Customer wouldn't need to wait when downloading their email and web content because of bulky advertising being sent over a small backbone.

N. Hristova, G.M.P. O'Hare (2005) discussed and presented the Ad-me system, a context-sensitive advertisement delivery system wrapped in the context of a tourist guide. This system has been partially trailed in Dublin City centre. Our system is innovative in several respects. Firstly, it is one of the first systems that target personalized and location-aware advertisement for cellular phones

and PDAs. Secondly, we deploy an agent-oriented approach constructed from a mixture of heavyweight and lightweight agents supporting real-time content retrieval, content presentation and user profiling. Thirdly, the adoption of PHP facilitates interoperability ensuring the delivery of content to a rich diversity of devices. Future work will undertake larger field trials, extend agent functionality, utilize vector-based maps, develop generic software tools for customisation and localization of the guide and potentially incorporate the Smarty templating engine. The major business issues that the wireless Industry needs to resolve is how to deliver wireless advertising to the customer. Business experiences with Internet advertising cannot be transferred to wireless advertising because of mobile device technology limitations and people's personal relationship to their device. The Industry must determine how to give customers the choice of being able to receive or not receive advertisements, the control to easily bypass advertising contents, the ability to customize or filter the type of advertising that they receive, and the feeling that the advertising is beneficial to them. If the wireless industry can work to resolve these issues, wireless advertising can become a very successful source of revenue for the industry.

## **Problem Identification**

The present investigations were descriptive in nature with survey being used as the major research approach. In first stage a measure to judge effectiveness of the SMS advertising in selected products services was developed with the help of available literature and through interaction with academicians and experts in the field. In the second stage data was collected from the respondents to explore effectiveness and demographic influences. The Respondents represent all demographic segments that are above 18 years of age and include male and female from different age groups. The Respondents also represent different income groups and occupations including students.

## **Development of an Approach to the Problem**

This research study focused exclusively on mobile users having active mobile phone, for the use of SMS advertising services & for purchase of products belonging to selected Cities viz. Ahmedabad, Surat, Vadodara, Rajkot, Bhavnagar and Patan in the State of Gujarat. It has attempted to those provide information and data on SMS advertising users activities as well as result concerning SMS advertising shopping for selected product and services from the selected cities of the Gujarat.

## **Rationale of the Research Study**

SMS advertising, which is an area of mobile commerce, is a form of advertising that targets users of handheld wireless devices such as mobile phones and Personal Digital Assistants (PDAs). In Comparison with traditional advertising, the main advantage of mobile advertising is that it can reach the target customers anywhere anytime. In order to promote the selling of products or services, all the activities required to communicate with the customers are transferred through mobile devices. Combining with the customer's user profile and context situation,



advertising companies can provide the target customers exactly the advertisement information they desire, not just “spam” them with advertisements they are not interested in. There is also an increasing popularity of reality TV voting programs, radio programs, and other contests that utilizes SMS responses. It is found that the use of SMS is particularly attractive to young consumers. Furthermore, Jupiter Research found that 18- to 34-year old are more interested in participating in sweepstakes, game shows, and TV promotions than adults over 35 years old (Rodgers, 2003). With the increase usage of mobile technology in India, it is believed that SMS is the new advertising medium and behavior of the consumer need to be understood. But this study intends to relate several of these scattered opportunities and threat to give a coherent understanding of the factors leading to growth of mobile advertisement, and its attitude towards the advertisement, thereby trying to fill a gap in the existing literature in Indian markets context.

### **Objectives of the Research Study**

- To identify consumers’ perception and effectiveness on SMS advertisement.
- To identify major user’s of SMS advertising.
- To understand factors and attitudes towards SMS advertising

### **Research Design of the Research Study**

The research design in this research study was descriptive one in nature considering its rationale’ objectives, and hypothesis as well as, sources of information, sampling decisions, data analysis and interpretation as well as in view of results, findings and limitations of the research study.

### **Primary and Secondary Data**

The researcher had made possible efforts in order to collect available information from various published sources. Secondary data was mainly collected from various published sources viz., Business Newspapers viz., The Economic Times, The Times of India, Business Standard, and The Financial Express. The researcher has also referred various Business and General Magazines as well as Research Journals relating to chosen area of the research study.

An illustrative list included Business Week; Business World; Vikalpa; Journal of Interactive Marketing; Management Science; Advertising Age; Psychology & Marketing; International Journal of Mobile Marketing; Mobile Networks and Applications; The Journal of Computer Information Systems; Mobile Advertising Revenue Report; Journal of Current Issues and Research in Advertising; Journal of Advertising; The International Journal of Management Science; Information Systems Frontiers; The Journal of Computer Information Systems; European Journal of Marketing; Studies in Public Communication; Sociology of Mass Communications, Penguin; Journalism and Mass Communication; Industrial Marketing Management; Industrial Marketing Management; International Journal of Mobile Commerce; Journal of Promotion Management; Journal of Advertising Research; International Journal of Service Industry Management; The Journal Of Consumer Research; American Academy of Advertising; Electronic

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## **Primary Data**

The Structured Non-Disguised Questionnaire consisted of three part of questionnaire as follows:

- Question 1 to 5 aimed to find out mobile phone use and frequency of SMS advertisement receive
- Question 6 which has 52 Statements on 1 to 5 scale [Likert Scale] strongly agree to strongly disagree.
- Question 7 aimed to access selected services /products used by users of mobile marketing.
- Last section ten questions aimed to measure demographic factors like Age, Gender, Occupation, Marital status, Education Qualification, Mostly read newspapers / magazine / TV channels and income group if applicable.

## **Instrument of Data Collection**

A pre-tested self-administered questionnaire was used In order to address objectives a structured questionnaire was designed seeking information on following aspects; experience of mobile use, frequency of mobile phone usage for different purposes, awareness about SMS advertising and frequency of different forms in which SMS advertising is receiving action taken by user. Once it is on receiving level of agreement or disagreement on 52 statements capturing perception both positive and negative of SMS advertising, willingness to receive SMS advertising in future, preference for type SMS advertising message, preference for SMS advertising forms and demographic information in terms of Gender, Age, Income and Occupation. The entertainment, in formativeness and irritation scales used in study were adapted from Ducoffe's (1996:28)<sup>2</sup> study of consumer attitudes toward advertising on the World Wide Web. The credibility scale was adapted from the scale developed by Bracket and Carrol (2001:25) in the study of consumer attitudes towards web advertising. For the purpose of this study the wording of scale items was slightly adapted to be more in line with consumer attitudes toward SMS

advertising. A five- point likert-type scale, labelled from (1- Strongly disagree) to (5- Strongly agree) was used and no items were reversed scored.

The data was collected via online questioner and personal face to face interview, we used 5 point likert scale to rate the respondent's Attitude, Opinion & behaviour (where 1= Strongly disagree, 3-neutral, and 5-strongly agree). The questionnaire used various descriptive items and eight scenarios in the similar manner to Carroll et al.(2005)<sup>2</sup>. Descriptive items included demographics, use of text messaging, attitude toward SMS ads and sources of SMS ads, contract and opt-in requirements, personal information and privacy, and preferences for information received. The scenarios tested high or low permutations, SMS ad relevance and brand familiarity. (Annexure-1-Research Instrument -Questionnaire)

## **Data Preparation and Analysis**

### *Reliability*

Reliability tests were applied to determine how strongly the attitudes of mobile user's were related to each other to composite score. All dimensions of the structured questionnaire related with measurement of SMS' advertisement perception, attitude and effectiveness of SMS advertisement were tested for selected products and services. The Cronbach's alpha was 0.867 for overall statements. It confirmed internal reliability of the scale.(Naresh K. Malhotra, 2007; G.C.Beri,2008).

The summary of Cronbach's Alpha score for all criteria is given in Table-1 as follows:

**Table-1:** Overall Results of Reliability Testing for Mobile User's Opinion on SMS Advertisement (Overall)

<b>S. No</b>	<b>Statements</b>	<b>Cronbach's Alpha</b>
1	I feel SMS advertisement interrupt my normal use of the Mobile phone.	0.626
2	I like getting SMS advertisement via mobile phone.	
3	I think getting advertisement through SMS is good.	
4	I think SMS advertisement is reliable.	
5	I can get useful information from SMS Advertisements.	
6	I feel comfortable to get SMS advt. is easy.	0.910
7	Receiving SMS advertising easy.	
8	SMS advertising is easy to read.	
9	Getting timely information from SMS advertising is easy.	
10	Learning from SMS message is easy.	
11	SMS advertisement is useful for daily life.	
12	SMS advertisement is informative.	
13	Receive SMS advertisement make shopping easier.	
14	I use SMS advertisement as a reference for purchasing.	0.642
15	SMS advertisement fun to use.	
16	SMS advertisement exciting and interesting.	

S. No	Statements	Cronbach's Alpha
17	I feel that SMS advertisement is pleasant.	0.8
18	I feel SMS advertising is not boring.	
19	I like to take chances for SMS advertisement than other Adt Media.	
20	I like to experiment with new way of doing things.	
21	SMS Advertisement is good source of product information.	
22	SMS Advertisement help me decide what to buy.	
23	SMS advertisement good source of information.	
24	SMS advertisement is cumbersome.	0.901
25	SMS Advertisement is annoying me.	
26	SMS Advertisement is irritating me.	
27	I think SMS advertisement is less innovative.	0.647
28	I think SMS advertisement does not suit personal need.	
29	SMS advertisement relayed at wrong time.	
30	I clutter as a result of too many ads.	
31	SMS advertisement caused disturbance at work.	
32	Its time consuming to go through SMS Ads.	
33	I recall brands advertise thorough SMS advertisement.	
34	I find SMS advertisement relevant.	0.748
35	I feel irritated to get SMS advertisement.	
36	I benefit from SMS advertisement giving promotional announcements.	
37	I think SMS advertisement is convincing.	
38	I consider SMS advertising not silly.	
39	I welcome permission based SMS advertisement.	
40	I consider SMS advertising of instructive nature.	
41	I feel SMS advertisement give clear message.	
42	I think SMS advertisement is worth remembering.	
43	I think SMS advertisement is not easy to forget.	
44	I like to take advantage of SMS advertisement.	0.783
45	I would like to improve knowledge.	
46	Would like to use for special promotions.	
47	Invasion of personal space.	
48	Marketing related to promotional scheme, are more interesting.	
49	I am interested in participating in SMS advt. campaign.	
50	I will use text messages in future too.	
51	There is risk of misuse of personal data due to use of SMS advt. & advt. service.	0.890
52	I would like to share SMS advt. to my friends.	
<b>Overall Reliability</b>		<b>.867</b>

From the above table it has been found that overall reliability of all statements which measure attitude and perception toward SMS advertising is 0.867. Which is in range of  $0.6 \leq \alpha \leq 0.9$  and good (Low-Stakes testing). Internal consistency interpretation shown in table to know meaning of Cronbach's alpha value and its internal consistency result interpretation.

**Table-2:** Cronbach's Alpha and Internal Consistency Interpretation

Cronbach's alpha	Internal consistency
$\alpha \geq 0.9$	Excellent
$0.7 \leq \alpha < 0.9$	Good
$0.6 \leq \alpha < 0.7$	Acceptable
$0.5 \leq \alpha < 0.6$	Poor
$\alpha < 0.5$	Unacceptable

To know SMS advertisement perception and effectiveness on selected products and service. Researcher has selected most popular products and services which is advertise by SMS marketing medium. Researcher had carried out Factor analysis and to know which products / services very much like by respondents to extract products / services set. Reliability analysis for product and service as follows. Overall reliability is 0.865 which is indicates as good (Internal Consistency).

### Score of Overall Opinion about SMS Advertisement

As per the statements obtained an overall Cronbach's  $\alpha$  values of all the 9 constructs were 0.867 for the Factor Analysis. The nine factors were extracted, that are presented with its their respective  $\alpha$  value and factor loadings.

Table-3 - KMO and Bartlett's Test of Reasons for opinion, attitude and perception about SMS advertisement

**Table-3:** KMO Measure for Sample Adequacy & Bartlett's Test of Sphericity

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.936
Approx. Chi-Square		16155.863
<b>Bartlett's Test of Sphericity</b>	Df	1326
	Sig.	0.000

**Table-4:** Variance Table

Component	Initial Eigenvalues			Total Variance Explained			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
				Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	8.965	17.241	17.241	8.965	17.241	17.241	8.057	15.494	15.494
2	8.524	16.393	33.633	8.524	16.393	33.633	4.992	9.601	25.095
3	4.394	8.450	42.084	4.394	8.450	42.084	3.933	7.563	32.658
4	3.382	6.503	48.587	3.382	6.503	48.587	3.923	7.544	40.201
5	1.533	2.948	51.535	1.533	2.948	51.535	2.795	5.376	45.577
6	1.246	2.397	53.932	1.246	2.397	53.932	2.104	4.046	49.623
7	1.192	2.291	56.224	1.192	2.291	56.224	2.073	3.987	53.610
8	1.098	2.112	58.336	1.098	2.112	58.336	1.672	3.215	56.826
9	1.078	2.073	60.409	1.078	2.073	60.409	1.618	3.112	59.937
10	1.012	1.945	62.354	1.012	1.945	62.354	1.257	2.417	62.354
11	.963	1.853	64.207						
12	.951	1.829	66.036						
13	.917	1.763	67.799						
14	.894	1.719	69.518						

Component	Initial Eigenvalues			Total Variance Explained			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
15	.871	1.675	71.193						
16	.809	1.556	72.749						
17	.762	1.464	74.213						
18	.748	1.438	75.651						
19	.733	1.410	77.061						
20	.720	1.384	78.445						
21	.702	1.350	79.795						
22	.686	1.319	81.114						
23	.678	1.304	82.418						
24	.650	1.250	83.667						
25	.634	1.219	84.887						
26	.613	1.180	86.066						
27	.601	1.156	87.222						
28	.594	1.143	88.365						
29	.573	1.101	89.467						
30	.558	1.072	90.539						
31	.546	1.050	91.589						
32	.527	1.014	92.603						
33	.514	.988	93.591						
34	.470	.905	94.496						
35	.465	.894	95.390						
36	.444	.854	96.243						
37	.424	.816	97.060						
38	.403	.775	97.835						
39	.395	.760	98.595						
40	.386	.741	99.336						
41	.345	.664	100.000						
42	7.384E-17	1.420E-16	100.000						
43	3.846E-17	7.397E-17	100.000						
44	2.356E-17	4.531E-17	100.000						
45	1.979E-17	3.805E-17	100.000						
46	9.881E-27	1.900E-26	100.000						
47	-2.588E-34	-4.977E-34	100.000						
48	-2.337E-33	-4.494E-33	100.000						
49	-2.122E-18	-4.081E-18	100.000						
50	-2.941E-17	-5.655E-17	100.000						
51	-1.545E-16	-2.971E-16	100.000						
52	-5.552E-16	-1.068E-15	100.000						

Extraction Method: Principal Component Analysis.

From the above table, it becomes evident that the KMO measure of sampling adequacy was 0.936, which implied that collected primary data was suitable for applying Factor Analysis. Similarly, Bartlett's Test of Sphericity was found as significant ( $p < 0.005$ ) which too indicated sufficient correlation existed between the variables to proceed with the application and the use of factor analysis.

The research question was whether there are some underlining dimensions of mobile advertising under consideration. The total variance shown in table, accounted for by all the of components explain nearly 62.354 % of the variability

in the (Table-4 - Total Variance of Factor Analysis) Hence, the original dataset can be reduced by using this nine components (Eigen values greater than 1 as shown in Table-5) with only 40% loss of information.

**Table-5: Communalities – Factor Analysis**

S.No	Communalities	Initial	Extraction
1	I feel SMS advertisement interrupt my normal use of the Mobile phone	1.000	.489
2	I like getting SMS advertisement via mobile phones	1.000	.522
3	I think getting SMS advertisement through SMS is good	1.000	.661
4	I think SMS advertisement is reliable	1.000	.559
5	I can get useful information from SMS advertisement	1.000	.534
6	I feel comfortable to get SMS advt. is easy	1.000	1.000
7	Receiving SMS advertising easy	1.000	1.000
8	SMS adverting is easy to read	1.000	1.000
9	Getting timely information from SMS advertising is easy	1.000	1.000
10	Learning from SMS messages easy	1.000	1.000
11	SMS advertisement is useful for daily life	1.000	1.000
12	SMS advertisement is informative	1.000	1.000
13	Receive SMS advertisement make shopping easier	1.000	1.000
14	I use SMS advertisement as a reference for purchasing	1.000	.528
15	SMS advertisement fun to use	1.000	.569
16	SMS advertisement exciting and interesting	1.000	.608
17	I feel that SMS advertising is pleasant	1.000	.547
18	I feel that SMS advertisement is not boring	1.000	.404
19	I like to take chances for SMS advertisement than other Advt Media	1.000	.384
20	I like to experiment with new way of doing things	1.000	.568
21	SMS Advertisement is good source of product information	1.000	.574
22	SMS advertisement help me decide what to buy	1.000	.537
23	SMS advertisement is good source of information	1.000	.414
24	SMS advertisement is cumbersome	1.000	.452
25	SMS advertisement is annoying me	1.000	.607
26	SMS advertisement is irritating me	1.000	.579
27	I think SMS advertisement is less innovative	1.000	.507
28	I think SMS advertisement does not suit personal need	1.000	.532
29	SMS advertisement relayed at wrong time	1.000	.471
30	I clutter as a result of too many ads	1.000	.452
31	SMS advertisement caused disturbance at work	1.000	.581
32	Its time consuming to go through SMS ads	1.000	.479
33	I recall brands advertise through SMS advertisement	1.000	.500
34	I find SMS advertisement relevant	1.000	.460
35	I feel irritated to get SMS advertisement	1.000	.480
36	I benefit from SMS advt. giving promotional announcement	1.000	.596
37	I think SMS advertisement is convincing	1.000	.520
38	I consider SMs advertising not silly	1.000	.362
39	I welcome permission based SMS advertisement	1.000	.490
40	I consider SMS advertising of instructive nature	1.000	.462
41	I feel SMS advertisement give clear message	1.000	.486
42	I think SMS advertisement is worth remembering	1.000	.445
43	I think SMS advertisement is not easy to forget	1.000	.416

S.No	Communalities	Initial	Extraction
44	I like to take advantage of SMS advertisement	1.000	.999
45	I would like to improve knowledge	1.000	.999
46	Would like to use for special promotions	1.000	.999
47	Invasion of personal space	1.000	.353
48	Marketing related to promotional scheme, are more interesting	1.000	.388
49	I am interested in participating in SMS advt. campaign	1.000	.488
50	I will use text messages in future too	1.000	.426
51	There is risk of misuse of personal data due to use of SMS advt. & advt service	1.000	.999
52	I would like to share SMS advt to my friends	1.000	.999

Extraction Method: Principal Component Analysis.

The rotated Component Matrix reveals 9 factors (reflecting the consolidated utility factors with reference to mobile advertising) derived from 10 variables (encompassing various dimensions of SMS advertisement). In order to confirm those 9 factors, confirmatory factor analysis (CFA) has been used.

### Score of Overall Opinion about SMS Advertisement

The findings, with respect to perception, opinion and attitude of SMS advertisement users ‘across selected cities of Gujarat State, suggested that there existed scope for the development of SMS advertisement business for different product and services in the Gujarat State. The result suggested that Accessibility, Valuable / Constructive, Recreational, Informativeness, Interruption, Pleasing, Credible, Knowledge and Irritation are most important factors playing influential role on overall opinion, perception and attitude in the state of Gujarat.

There are 52 questions asked to respondents in relation to opinion, perception and attitude. The nine factor extracted among 52 question. Marketer should focus on this nine factor as and when they design Marketing Campaign for any products or services as far as Gujarat’s major cities Ahmedabad, Vadodara, Surat, Bhavnagar, Patan and Rajkot.

### Findings Based on Factor Analysis

Let us look in detail which are important factor and one by one and questions included in it

- First factor namely “Accessible” which is related to use of SMS advertisement. It is measured about feeling of respondents comfortable to get SMS advertisement. SMS advertisement is easy to read. Getting timely information from SMS advertisement easy. Learning from SMS advertisement is easy. SMS advertisement respondents find useful daily life. It is informative and through SMS advertisement shopping easier.
- Second factor attributed to “Valuable/Constructive” which is related to take advantage of SMS advertisement. Respondents wish to improve knowledge through SMS advertisement. And respondents would like to use for special promotions.
- Third factor extracted and title given “Recreational” respondents feel SMS advertisement is fun to use, existing and interesting, pleasing, not boring



and it is reference for purchasing. Respondents also take changes for SMS advertisement than other advertisement media.

- Forth factor called as “Informativeness” respondents find SMS advertisement worth remembering, it gives clear message and welcome permission based SMS advertisement. At the same time respondents feels SMS advertisement is instructive in nature.
- Fifth factor attributed “Interruption” as respondents’ response SMS advertisement does not suit personal need, relay at wrong time, clutter as too many ads, disturbance at work and feels its time consuming.
- Sixth factor has been surfaced and attributed “Pleasing” because respondents like SMS advertisement via mobile phones, reliable and useful information respondents get through SMS advertisement.
- Seventh factor appeared “Credible” consisting construct. Respondents feel SMS advertisement is relevant, benefited from SMS advertisement promotional announcement and SMS advertising is convincing.
- Eighth factor comes out from the analysis namely “Knowledge” which dwell that respondents experiment with new way of doing thing so they are open to SMS advertisement and in addition they also feel SMS advertisement is good source of product information. In this factor getting useful information is desire of respondents which is influencing factor among all factor.
- Ninth factor promulgated from analysis is “Irritation” which include and reveal from respondents SMS advertisement is cumbersome, annoying and respondents feel it is less innovative.

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# Analysing the Influence of Brand-Customer Personality Consonance in Stimulating Brand Loyalty: The Case of Automobile Brands

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## Abstract

The interface between brand personality and the personality of customers' results in a distinctive experience that enables the customer to establish an emotional connect with any preferred brand. This in turn stimulates satisfaction and hence brand loyalty. To throw light on the domain of consumer personality, Costa and McCrae (1992) had identified a five-factor model in terms of neuroticism, extraversion, openness to change, agreeableness, and conscientiousness. Aaker (1997) had defined brand personality as a set of human characteristics associated with a brand. In this regard, a 42-item scale parallel to the "Big Five" had been developed with five dimensions of brand personality, namely sincerity, competence, excitement, sophistication and ruggedness. In fact, the interface between these two constructs trigger an emotional attachment to a brand, which serves as a key predictor of customer satisfaction, commitment and brand loyalty. The present study purports to examine how consumers identify and connect to different variants of brand personality associated with reference to purchase of automobiles, and how it has a significant influence on the development of brand loyalty. The study primarily seeks to investigate the various dimensions of brand personality as well as customer personality and establish its impact on customer satisfaction and loyalty. This has been achieved with the aid of a structured questionnaire comprising of 56 items measured on a five-point Likert scale. The respondents (n=276) of the research are customers of automobile brands in Kolkata, India and have been selected conveniently by the researcher. The study is unique in that it aims to establish a robust emotional connection with the brand in the psyche of the consumer. The study also helps in the identification of how such brand experiences translate into positive brand loyalty.

**Keywords:** Brand Loyalty, Brand Personality, Customer Personality, Emotional Connection, Five-Factor Model, Satisfaction

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## Introductory Observations

In today's hypercompetitive business era, global corporations are endeavouring to capture the attention of their target customers by designing a sui generis brand

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image for their offerings. In building a favourable brand image, perceptions happen to be more significant than reality. Since brands exist in the subconscious part of the consumers' minds, the management of brands is thus, tantamount to the management of perceptions. The brand manager's job is to ensure that the customer is not only satisfied with the performance of the product, but also has a favourable perception towards the same. In this regard, customer retention plays a momentous role such that the customers are glued to an offering on a long-term basis. Hence, the success quotient of any strategy to attract consumers is pillared largely on its capability to maintain customer retention and to build protected enclaves of consumers. Brands are regarded as valuable and intangible properties for firms and are the implicit tools, which trigger long-run liaisons with customers and endorse the rights of that company. Indeed, the presence of a successful brand would consequent in greater market share as well as profitability.

At present, brand loyalty has transpired into a major domain of research interest and contemplation for marketing practitioners. Ganesh et al. (2000) affirm that very few studies address the fact that loyal customers incur more costs in contrast to non-loyal customers, while acting as advocates for a brand by engaging in positive word of mouth, and are therefore at the heart of a company's most valuable customer group. Furthermore, erstwhile studies are indicative of the fact that brand loyal customers are willing to pay a premium for quality and are less price sensitive. It is rather suicidal for the marketer to ignore the role of brand loyalty in today's competitive market environment. In fact, brand loyalty is one of the oft-cited concepts in marketing literature, given that both academicians and professional practitioners have come to terms with the expansive range of benefits derived from it. It is also inevitable for brand managers to probe deep into the context of appropriate associations between brand personality and customer loyalty. It is no oddity that it costs less to serve loyal customers since familiarity with the company's products and services makes customers less dependent on its employees for help and information.

Reichheld (1990) clarified that all satisfied customers might not necessarily be loyal. Thus, the primary marketing objectives and goals for any type of business are conceiving, maintaining and ameliorating customer loyalty for their brands. It was noted that those organizations, which emphasize on understanding customer brand loyalty would have greater profitability and long-run customer retention, in addition to minimizing marketing expenses and consequently improving their competitive advantage.

The current study primarily revolves around a few specific research questions. Does there exist any association between the personality of the customer and the personality of the automobile brand? Does such a congruence have any influence on customer satisfaction? Does customer satisfaction eventually transpire into customer loyalty? The principal objective of the study is to investigate how the brand-customer personality congruence influences customer satisfaction with reference to the automobile brand. It also seeks to analyse how customer satisfaction influences customer loyalty towards the automobile brand.

## **Review of Background Literature**

Levy (1959) was one of the earliest to highlight that brand personality entails

demographic components, such as gender, age and social class. The study observes that the image of the brand users, personnel and product spokespersons has a direct influence on brand personality, while product attributes have an indirect influence on brand personality. Keller (1993) opined that brand personality offers the functions of self-symbolization and self-expression. Brand personality primarily stems from two sources: the association consumers have with a brand, followed by the image a company tries hard to create. Aaker (1997) defined brand personality as a set of human characteristics associated to a brand. The study brought to light observed how every company is attempting to gain the attention of their customers by conceiving a distinctive brand image for their products, in a competitive business sphere. Pepsi is often perceived by consumers as more 'young', Coke as more 'real and honest', Dr. Pepper as more 'non-conformist and fun'. These forms of human characteristics associated with the brand were labelled as brand personality. The study further argued that limited research had been conducted in the realm of identifying the dimensions of brand personality. She, in her seminal study, conceived a five-dimensional scale of brand personality, encompassing the integral elements: sincerity, competence, excitement, sophistication and ruggedness. Chow et al (2004) concluded that there is significant correlation between consumer personality traits and brand personality traits in relation to the buying behaviour of sports shoes. The results highlight that consumers with extraversion and openness to experience personality traits are more likely to be influenced by the personality of the brand. Chang and Chieng (2006) observed that a robust and favourable brand personality could proffer consumers with emotional fulfilment, image enhancement, an augmented disposition to stay brand loyal, to adopt new brands or their extensions as well as to pay premium prices for specific brands. Rajagopal (2006) noted that customers retain specific facets about a brand, which in turn has a strong influence on their behaviour. Customers having robust relationships with chosen brands tend to possess favourable attitudes towards them and rarely engage in negative word of mouth. Ramaseshan and Tsao (2007) evaluated the moderating impact of a brand towards the relationship between perceived quality and brand personality. Irrespective of brand considerations, sophistication and excitement traits of brand personality have a significant impact on perceived brand quality, which are symbolic and sophisticated. Zentes et al. (2007) empirically examined the brand personality scale proposed by Aaker (1997). Results revealed that Aaker brand personality scale is beneficial for retail brands of Germany, which acts well to differentiate between retailers, and those brand personality dimensions, which directly influence customers as well as store loyalty. Lin (2010) affirmed that personality plays a key role in developing a robust interdependence between consumers and brands and highlighted that the customer develops a sense of liking for and preference towards the brand. Orth et al (2010) confirmed that human personality influences the emotional attachment a consumer shares with a brand. The study also revealed that personality traits such as openness and extraversion have positive correlation with loyalty towards the brands. Ha and Janda (2013) recognized the relationship between key outcomes and brand personality in automobile industry of China. Results indicated that brand personality plays a pivotal role in building brand trust and improving perceived quality, an important outcome for the highly competitive automobile industry of

China. Further, perceived quality is crucial in mediating the exited liaison between brand commitment and brand personality. Perceived quality does not influence brand trust. In case of automobiles in China, high levels of perceived quality of specific brands call for convincing those non-purchasers about the brand value and the fact that provided information is pertinent. Das (2014) studied whether brand personality differs across various retail brands and established the existence of gender-based divergences in the perception of shoppers towards the brand personality of various retail brands.

Based on the literature surveyed for the purpose of this study, it is apparent that limited number of studies address the congruence between brand personality and consumer personality and its impact on customer satisfaction. Studies jump to establish the impact of customer and brand personality on customer loyalty. However, it opens up major gaps in literature, as the association with customer loyalty cannot be studied without establishing how brand congruence results in customer satisfaction.

## **Hypothesis Formulation and Conceptual Framework**

As mentioned earlier, the current research aims to investigate the structural relationship among the five variables namely, customer personality, brand personality, brand congruence, customer satisfaction and customer loyalty. Based on the gaps that have been identified post the literature survey, the following hypotheses have been proposed with reference to automobile brands:

**Hypothesis 1:** *Customer Personality is significantly associated with Brand Congruence*

**Hypothesis 2:** *Customer Personality is significantly associated with Customer Satisfaction*

**Hypothesis 3:** *Customer Personality is significantly associated with Customer Loyalty*

**Hypothesis 4:** *Brand Personality has a significant impact on Brand Congruence*

**Hypothesis 5:** *Brand Personality has a significant impact on Customer Satisfaction*

**Hypothesis 6:** *Brand Personality has a significant impact on Customer Loyalty*

**Hypothesis 7:** *Brand Congruence has a significant influence on Customer Satisfaction*

**Hypothesis 8:** *Customer Satisfaction has a significant influence on Customer Loyalty*

The primary effect model featured in Figure-1 has been pillared on the works of Buchanan et al (2005), Aaker (1997), Kim et al (2001) and Barkus et al (2009). However, most of the questions have been modified to suit the current study on automobile brand personality.

The research model depicted provides an overview of the path connecting from customer personality and brand personality, which are correlated among themselves. This is also linked with customer satisfaction and customer loyalty.

## Research Methodology

Only automobile buyers (n=276) were considered in the context of the given study. Convenience was used in order to obtain the sample of respondents from the city of Kolkata, India. To corroborate the developed conceptual model, a five-point Likert scale has been developed to obtain responses from all the respondents. Several scales have been used in the development of the research instrument. Customer Personality is explained through five key factors namely Extraversion, Neuroticism, Conscientiousness, Agreeableness and Openness to Experience. Brand personality has been derived from the scale developed by Aaker (1997), which is an assortment of 42 personality items grouped within five broad factors namely, sincerity, excitement, competence, sophistication and ruggedness. The relationships among the different variables were hence analysed using IBM SPSS 23.0 and IBM SPSS AMOS 23.0 software packages.

## Findings and Data Analysis

The various findings have been compiled and deliberated upon under the following heads, to gain valued insights and actualize our hypotheses formulated earlier.

### Demographic Profile

We shall initially analyse the demographic profiles of the respondents in light of the present study. This has been captured in Table-1:

**Table-1: Demographic Profile of Respondents**

Demographic Construct	Classification	Population Statistics	Percentage
<b>Gender</b>	Male	144	0.52
	Female	132	0.48
<b>Classification of Respondents</b>	<b>TOTAL</b>	<b>276</b>	<b>1.00</b>
<b>Age Group of Respondents</b>	Below 24	63	0.23
	25-35	112	0.40
	36-50	69	0.25
	Above 50	32	0.12
	<b>TOTAL</b>	<b>276</b>	<b>1.00</b>
<b>Occupation of Respondents</b>	Student	72	0.34
	Service	101	0.17
	Business/ Entrepreneur	94	0.18
	Others	9	0.02
	<b>TOTAL</b>	<b>276</b>	<b>1.00</b>
<b>Monthly Income of Respondents</b>	Below INR 10,000	46	0.18
	INR 10,001 – INR 25,000	53	0.19
	INR 25,001 – INR 50,000	78	0.28
	INR 50,001 – INR 1,00,000	51	0.18
	Above INR 1,00,000	48	0.17
	<b>TOTAL</b>	<b>276</b>	<b>1.00</b>

The male-female ratio in our study is moderately balanced in the proportion of 13:12. The age group below 35, which comprises of respondents from 25 years to 35 years, has the maximum number of respondents (n=112; 40%). These respondents

are largely expected to be students (n=72; 34%), service employees (n=101; 17%) and businesspersons (n=94; 18%). Given their occupational attainment, the respondents mostly belong to the monthly income cluster of INR 25,001 to INR 50,000 (n=78; 28%). The proportion of the youth is far more significant than their older counterparts are and are engaged in education or corporate jobs.

### **Reliability Analysis**

Cronbach's Alpha has been used to test for internal consistency between the variables mentioned in the study. They have been displayed in Table-2:

**Table-2:** Reliability Statistics

<b>Construct</b>	<b>Original No. of Items</b>	<b>Final No. of Items after Deletion</b>	<b>Cronbach's Alpha</b>
Total	84	56	0.818
Extraversion	5	4	0.806
Neuroticism	5	4	0.816
Conscientiousness	5	3	0.797
Agreeableness	5	5	0.847
Openness to Experience	5	4	0.870
Sincerity	11	6	0.738
Excitement	11	5	0.906
Competence	9	5	0.823
Sophistication	6	4	0.841
Ruggedness	5	5	0.743
Brand Congruence	6	3	0.841
Customer Satisfaction	5	4	0.788
Customer Loyalty	6	4	0.824

The summarized results indicate highly reliable results as is evident from the Cronbach's Alpha values, which are all above the ideal level of 0.7. The aggregate correlations of the corrected items are above the moderate level of 0.5. Those items, which have values less than the cut-off score, have been deleted.

### **Test for Convergent and Discriminant Validity**

Convergent and discriminant validity are regarded as subcategories or subtypes of construct validity. Convergent validity is established, when the measures that should be related are indeed related in practice. Convergent validity has been undertaken to test whether the items converge to measure a construct or not. The results are indicated in Table-3:

**Table-3:** Convergent Validity

<b>Construct</b>	<b>Items</b>	<b>Factor Loading</b>	<b>AVE</b>	<b>C.R.</b>
<b>Extraversion (E)</b>	EXT1	0.844	0.713	0.909
	EXT2	0.810		
	EXT3	0.860		
	EXT4	0.863		
<b>Neuroticism (N)</b>	NEU1	0.777	0.716	0.910
	NEU2	0.863		
	NEU3	0.869		
	NEU4	0.873		

<b>Construct</b>	<b>Items</b>	<b>Factor Loading</b>	<b>AVE</b>	<b>C.R.</b>
<b>Conscientiousness (C)</b>	CON1	0.769	0.595	0.815
	CON2	0.775		
	CON3	0.770		
	AGR1	0.874		
<b>Agreeableness (A)</b>	AGR2	0.867	0.755	0.939
	AGR3	0.865		
	AGR4	0.873		
	AGR5	0.866		
<b>Openness to Experience (O)</b>	OTE1	0.794	0.644	0.878
	OTE2	0.807		
	OTE3	0.810		
	OTE4	0.798		
<b>Sincerity (Si)</b>	SIN1	0.862	0.740	0.945
	SIN2	0.854		
	SIN3	0.840		
	SIN4	0.875		
<b>Excitement (Ex)</b>	SIN5	0.854	0.763	0.941
	SIN6	0.876		
	EXC1	0.880		
	EXC2	0.855		
<b>Competence (Co)</b>	EXC3	0.876	0.583	0.875
	EXC4	0.877		
	EXC5	0.879		
	COM1	0.784		
<b>Sophistication (So)</b>	COM2	0.786	0.786	0.936
	COM3	0.740		
	COM4	0.752		
	COM5	0.754		
<b>Ruggedness (Ru)</b>	SOP1	0.878	0.589	0.878
	SOP2	0.895		
	SOP3	0.898		
	SOP4	0.876		
<b>Brand Congruence (BC)</b>	RUG1	0.776	0.755	0.902
	RUG2	0.745		
	RUG3	0.760		
	RUG4	0.766		
<b>Customer Satisfaction (CS)</b>	RUG5	0.791	0.797	0.940
	BI1	0.854		
	BI2	0.877		
	BI3	0.875		
<b>Customer Loyalty (CL)</b>	CS1	0.908	0.744	0.921
	CS2	0.876		
	CS3	0.898		
	CS4	0.889		
	CL1	0.876		
	CL2	0.845		
	CL3	0.861		
	CL4	0.867		

The convergent validity of scale items have been estimated by the corresponding factor loadings, composite reliability, and average variance extracted (Fornell and Larcker, 1981). The standardized CFA loadings for all scale items have exceeded the minimum loading criterion of 0.7, and the composite reliabilities of all factors



have exceeded the recommended 0.7 level as well. In addition, the Average Variance Extracted (AVE) values were all above the threshold value of 0.5 (Hair et al, 2006). Therefore, all three conditions for convergent validity were successfully met by the above measurement models.

Further, the discriminant validity of constructs have been tested to determine whether the construct is truly distinct from another construct or not. The results of the discriminant analysis have been captured in Table-4:

**Table-4:** Discriminant Validity

Construct	Inter-Construct Correlations													
	E	N	C	A	O	Si	Ex	Co	So	Ru	BC	CS	CL	
E	0.71													
N	0.63	0.72												
C	0.54	0.45	0.60											
A	0.56	0.49	0.44	0.76										
O	0.64	0.51	0.39	0.63	0.64									
Si	0.56	0.60	0.47	0.65	0.54	0.74								
Ex	0.69	0.61	0.50	0.69	0.58	0.61	0.76							
Co	0.70	0.64	0.54	0.63	0.59	0.66	0.70	0.58						
So	0.62	0.54	0.56	0.50	0.61	0.63	0.71	0.38	0.79					
Ru	0.53	0.58	0.45	0.42	0.41	0.64	0.71	0.39	0.64	0.59				
BC	0.63	0.53	0.41	0.47	0.39	0.58	0.77	0.39	0.61	0.35	0.76			
CS	0.59	0.60	0.38	0.54	0.47	0.59	0.63	0.35	0.63	0.39	0.70	0.80		
CL	0.65	0.62	0.37	0.69	0.46	0.61	0.68	0.28	0.67	0.42	0.67	0.69	0.74	

In the above matrix, the values in the diagonal line represent the AVE of the constructs, and other data present the square of the correlation coefficients of the row construct and the column construct of the data. Only the path covariances between the three factors upon other factors were considered. Discriminant validity was obtained by comparing the shared variance between factors with the AVE from the individual factors (Fornell & Larcker, 1981). This analysis showed that the MSV and ASV between factors were less than the AVE for the individual factors. AVE is greater than the square of the inter-construct correlations. Hence, discriminant validity was established.

### *Structural Equation Modelling (SEM)*

According to Kilne (2010), the rationale of constructing a measurement model relates to its aptness as a measurement instrument of the observed indicators, representing a latent variable. The same was reaffirmed by Hair et al. (2010), where it was indicated that in measurement theory, the purpose is to estimate the liaison between the observed and the underlying latent variables. Bentler (1988) had noted that SEM represents causal processes that generate observations on multiple variables. In the present study, structural equation modelling (SEM) was conducted to probe into the structural relationships that exist between all the key variables, all of which have been explicated earlier. The goal was to test the fit between the proposed research model and the data obtained in the study. The preliminary stage in interpreting the SEM results encompassed a thorough review of fit indices, which provided evidence on how well the fit is between the data and the proposed structural model. In the present study, maximum likelihood procedure was used as the basis for SEM estimation. Comparison of all fit indices with their

corresponding recommended values provided evidence of a good model fit ( $\chi^2/df = 2.069$ , GFI = 0.961, AGFI = 0.942, CFI = 0.948, RMR = 0.343, RFI=0.932 and RMSEA = 0.039). This summary of model fit indices have been captured in Table-5:

**Table-5:** Summary of Model Fit Indices

Goodness of Fit Measure	Recommended Value	Actual Value of Measures	Result of Model Fit
CMIN/DF	≤ 3.00	2.069	Good
GFI	≥ 0.90	0.961	Good
AGFI	≥ 0.90	0.942	Good
NFI	≥ 0.90	0.948	Good
CFI	≥ 0.90	0.973	Good
RMSEA	≤ 0.05	0.039	Good

Theory suggests that if the model fits the data well enough, the feasibility of each path in the model should be reviewed by examining whether the weights are significant, both statistically as well as practically.

### Path Analysis Results

To test for the structural congruence among the constructs used in the study, path analysis was undertaken. All of the alternate hypotheses have been supported in the study, with the exception of the ruggedness dimension, which does not have any impact on brand congruence, customer satisfaction and customer loyalty. In all cases, Ruggedness of a brand comprising of being tough, masculine and outdoorsy was not seen to significantly impact brand congruence, customer satisfaction as well as customer loyalty. All of these paths have p-values greater than 0.05 and are hence unsubstantiated by the model. A summary of the path analysis results is displayed in Table-6.

**Table-6:** Summary of Path Analysis Results

Path	Coefficient Value	Direction	Results
E → BC	0.68	Positive	Supported
N → BC	0.79	Positive	Supported
C → BC	0.41	Positive	Supported
A → BC	-0.43	Negative	Supported
O → BC	0.57	Positive	Supported
Si → BC	0.73	Positive	Supported
Ex → BC	0.74	Positive	Supported
Co → BC	-0.34	Negative	Supported
So → BC	-0.30	Negative	Supported
Ru → BC	0.61	Positive	Unsupported
E → CS	0.33	Positive	Supported
N → CS	0.77	Positive	Supported
C → CS	-0.39	Negative	Supported
A → CS	0.67	Positive	Supported
O → CS	0.68	Positive	Supported
Si → CS	0.73	Positive	Supported
Ex → CS	-0.45	Negative	Supported

Path	Coefficient Value	Direction	Results
Co → CS	0.67	Positive	Supported
So → CS	0.68	Positive	Supported
Ru → CS	0.73	Positive	Unsupported
E → CL	0.58	Positive	Supported
N → CL	0.87	Positive	Supported
C → CL	0.79	Positive	Supported
A → CL	0.79	Positive	Supported
O → CL	0.77	Positive	Supported
Si → CL	0.81	Positive	Supported
Ex → CL	0.69	Positive	Supported
Co → CL	0.68	Positive	Supported
So → CL	0.68	Positive	Supported
Ru → CL	0.73	Positive	Unsupported
BC → CL	0.75	Positive	Supported
CS → CL	0.76	Positive	Supported

The above table reveals that the customer personality construct has a significant impact on brand congruence, customer satisfaction and hence customer loyalty. Brand personality with the exception of Ruggedness as a construct has favourable associations with the endogenous variables defined.

## **Conclusive Deliberations**

The above study is a reflection of the fact that when consumers seek to purchase automobiles brands, their individual personalities, as defined by Extraversion, Neuroticism, Conscientiousness, Agreeableness and Openness to Experience positively impact Brand Congruence, Customer Satisfaction and hence Customer Loyalty. Factors such as constructive energy and favourable emotions, assertiveness as well as amiability reflect highly in their congruence with the automobile brand. This leads to positive satisfaction levels and eventually results in brand loyalty. Similarly, the degree of emotional stability and impulse control of consumers have a positive impact on the brand congruence. Such people are sensitive and secure when procuring an automobile brand. Again, this terminates in brand loyalty through satisfaction. Dependable and organized individuals are seen to exhibit positive associations with their chosen automobile brand. It applies for cooperative and compassionate individuals as well. Such respondents are shown to have positive impact on brand loyalty. Respondents have favourable associations with brand personality traits such as sincerity, excitement, competence and sophistication. Ruggedness of a brand is not congruent with customer personality as well as with brand loyalty through customer satisfaction.

The current study adds to existing literature by primarily associating the concept of brand personality with the theory of customer personality through customer satisfaction, in the quest of underlining its impact on repeat purchase behaviour. Notwithstanding, it suffers from certain limitations. The study focuses only on automobile brand purchases, and several other product categories could have been considered and tested for the same end. However, it does open up future avenues of research in critically examining the issue of brand congruence in

relation to other associated realms such as consumer durables, or smartphone brands. For example, a consumer's connection with the brand personality would be significantly affected by the consumer's identification and association with the offerings of the company.

From a conceptual perspective, the current research undertaking has the following theoretical implications. Unlike former researches in this domain, this study tested plausible associations between the various dimensions of brand personality as well as consumer personality. The congruence helped us identify if satisfaction was being derived and thereby resulting in loyalty. In essence, meticulous management of brand personality assists consumers in developing and shaping favourable brand equity and loyalty towards the said company.

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# Measuring the Effects of Retail Functional Strategies on the Growth of Organized Retail Environment

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## Abstract

The competitive retail environment is fueled with various retail functional strategy which helps the retailers to perform and gain more competitive advantages in the market over others. The present study is based on primary data of 144 customers in hypermarket formats of central India (Bhopal, Madhya Pradesh), helps us to understand the influence of retail functional strategies on customer patronage behavior. The result of this study is drawn by using confirmatory factor analysis in SmartPLS 2.0 and linear regression in IBM SPSS 20 software. The resulted values shows the relationships between products, price and services with customer patronage behavior and it must be considered while planning the retail functional strategies for customers and it is observed that these functional strategies also effect on the performance and growth of organized retail stores in central part of India.

**Keywords:** Functional Strategies, Hypermarket, Organized Retailing, Patronage Behavior

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## Introduction

Organized retail in India in the form of malls, hypermarkets, supermarkets, departmental stores etc. are large scale chain stores, applying modern techniques and are very likely to be self-service in nature (Sengupta, 2008). As per the report of RAI (2014) the organized retail penetration currently estimated at 7.5% and it is estimated that it will reach 10% by 2018, as compared to other countries such as the US (85%) and anticipated to reach 20% by 2020 (Deloitte report 2013). Private companies are investing large amounts of money in designing and creating these store format in the smaller cities due to attractive low rental and operating costs. Commercial group such as Future Group (Big Bazaar), Mukesh Ambani's Reliance Group (Reliance Fresh) and K. Raheja corp. Group (Hypercity) are the rapidly using these types of hypermarket formats. These retail formats using various retail functional strategies (K. Ramakrishnan, 2010) to accomplish the shopping benefits and provide customers to access the global brands. IBEF Report (2013) shows that India is ranked fifth in the Global Retail Development Index in

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2012 because of increased urbanization, consumerism and emergence of organized retail outlets like mega malls and hypermarkets which opened enormous scope for retail expansion for foreign players. It is observed that the hypermarkets retail format would be the biggest segment of retail market, accounting for 21% of total retail space covered in the year 2013-2014.

As per the report of RAI (2013) Indian population is considered as youngest and highly educated in the world today because of the population in India young customer is around 26 years and it is estimated that it will touch 31 years in 2025. The working population aged is around 15-64 years and it will increase from 65% in 2012 to 67% by 2018 and become the key consumer group for the retailer. In this study researchers focused on the 18-35 age group customers for measuring the influence of functional strategy; pricing, promotion, product (Marketing function) services and customer experience (HR function) (Ramakrishnan, 2010) on customer patronage behavior in two formats of hypermarkets (Hyper city & Big Bazaar) in Bhopal (Madhya Pradesh).

## **Literature Review & Hypotheses**

### *Functional Strategy*

This strategy confirms the direction and possible scope for the organizations over the long-term, helps in achieving the advantage in a changing environment with the aim of fulfilling stakeholder expectations (Johnson et al., 2005). Functional level strategy and the bottom level of strategy are that of the individual functions (operations, marketing, finance, etc.). These strategies are concerned to two major areas: first “low cost advantages” the companies execute specific functional activities more efficiently a lower cost than competitors. Second the “differentiation advantage” the companies have to perform the activities that clearly and positively differentiate their products and services from those offered by competitors for achieving superior efficiency, quality, innovation and customer responsiveness (Alan S. Gutterman). According to Hambrick (1980), functional strategy research permits specific study with a limited selection of strategic variables (promotion, product, technology, service etc) that can be used for making various broader business strategies.

Successful retail stores in the US use superior service and attractive promotion apart from the usage of pricing (Covin and Covin, 1990; McGee and Rubach, 1996). Study of Megicks (2001) combined both business and functional level retail strategy variables, to assess the performance of these groups. Watkin (1986) in his study supported the use of focused strategy by retailers for the customer that helps them in capturing the small market segments which is not completely addressed by large retailers. Small and independent retailers have quite a lot of advantages as the market offers flexibility in devising strategy (Berman and Evans, 2007; Conant and White, 1999). They can have the freedom in determining their elements of the marketing mix and they can adopt suitable retailing strategies to cater their product and services to the targeted customer in the market by offering a series of offer & schemes. Shopping and spending behavior by the customer in the hypermarket depends on diversified levels of assortment and promotion than price in grocery shopping (Fox et al. 2004; Teller et al., 2006), where the study of Seiders et al., (2000) shows shoppers of food identified low price and assortment.

The basic criterion of older customer is to shop economically and they are very price conscious, same is with youngsters also.

Today the young shoppers enjoy retail atmospheres, interaction with the sales people and prefer to shop, from where they can receive special assistance services (Moschis et al., 2004). Therefore, the customer shows repatronage behavior which fully depends on their previous shopping experiences and the value received from the product in the form of better discount, offers and schemes, lower price and better quality of products and services (Bettman, 1979) from the retail stores. So, that the researcher tries to find out the influence of following considered variable as a part of retail functional strategies.

**Product** - Yavas (2001) study demonstrate that the purchase motives for the product and the purchasing patterns of every customer is different and to fulfill the needs of customers of every age group retailers have to maintain the stocking of branded products of the superior quality (Maxwell, 2001) having varieties. Retailers also facilitate small pack/quantity of products along with varieties in the products (Fox et al. (2004) which influence purchasing patterns of the customer.

**Pricing** - It has been suggested that most of the consumers are price conscious and sensitive. When they are offered lesser prices for the product they purchase more and vice versa with increase in the price of product or services. Increasing the margins and enhance net sales, retailers need to offer an attractive schemes, discounts, offers and competitive price to consumers (Nooteboom, 1985; Van Ryzin and Mahajan, 1999) and carries both lower and higher priced products as per the customer requirement. According to Kamen and Toman, (1970) reference price is defined as a fair price that a consumer's are ready to pay willingly and it is demonstrated that the consumers do consider it when making repurchase decisions (Kalyanaram and Winer, 1995).

**Promotion** - It is one of the major function which the every retailers offers to the customer encouraging customers to visits and revisit (Smith and Sinha 2000; Parsons and Ballantine 2004) the retail stores. This will also help them to get competitive and comparative advantage over others, where customer will get extra from both product and service benefits. With the help of advertising and sales promotion programmes (Kotler, 2003), retailers promote their products and services to attract customer for spending more money. Implementing a successful and innovative promotional strategies mostly depend on the understanding of the segmentation variables and consumer behavior in the competitive environment (Bearden et al, 1978).

**Experience** - Shoppers emphasize on in-store customer experience in the form of entertainment facility, convenience and relaxing creates a bonding between the retail store and the shoppers (Berry, 1995; Storbacka et al., 1994) for longer time. An experience is a personal incidence in the consumer behavior with emotional consequence and it is perceived by the customers while interacting with stimulus produced by the products or services consumed (Grundey, 2008). In retail store certain products and brands provide non-utilitarian experiences creating emotional value for consumers (Holbrook, 1986). According to Berry et al. (1995) retailing is providing value, emotional connectivity, saving time, saving retailers and customer energy and solving problems and issues related to the customers by enhancing total customer experiences.



**Services** - Retailers offer convenient shopping experience to the customers by facilitating the credit facility, home delivery facilities, ease on delivery facility and most importantly the after sale services to the customers. While interacting with the customers, employee's behavior at the point of service delivery is considered as one of the major area helping them in creating the stores image in customers mind and also influence customer's expectations towards services offered (oye, 2004; Keng et al., 2007). Thus, the retailers have trained their employees to resolve the problems and issues generated by the customers during shopping process. Therefore the quality and ability of the employee is based on interaction with customer which effects on consumer's loyalty towards retail store (Backstrom and Johansson, 2006) in the market. Therefore on the basis of above literature the following hypotheses is prepared;

H1 - Product has a positive and significant influence on customer patronage behaviour.

H2 - Price has a positive and significant influence on customer patronage behaviour.

H3 - Promotion has a positive and significant influence on customer patronage behaviour.

H4 - Experience has a positive and significant influence on customer patronage behaviour.

H5 - Services has a positive and significant influence on customer patronage behaviour.

## **Research Methodology**

### *Measurement Instrument*

The variables used in this study are derived from previous literature reviews and modified as per the customer patronage behavior in the hypermarket. The measurement items for the construct product are the multiple brand and superior quality given by Maxwell (2001). On the other hand the item varieties in the product (Fox et al., 2004) and small packaging/quantity of product are taken from the study of Ramakrishnan (2010). The items of price are developed from Kamen and Toman, (1970) fair price, Nooteboom, (1985); Van Ryzin and Mahajan, (1999) competitive price and Ramakrishnan, (2010) high & low price. Items advertisement and sales promotion for measuring promotion are taken from Kotler, (2003). Emotional attachment refreshing & relaxing item of the experience are taken out from Holbrook, 1986 and Berry, (1995). The service items after sale services are taken from Ramakrishnan, (2010) and the items customer interaction and credit and home delivery facility item is developed by the researcher itself. In this study final set of 16 items have been modified and examined by the researcher with the help of structured questionnaire. Before collecting the final data, questionnaires are pre-tested with 15 respondents to check that the format of questionnaire is clear and understandable to the customer and then the required changes have been done in the final set of questionnaire. All the measurement items are measured on a 5-point Likert scale, ranging from 1 "strongly disagree" to 5 "strongly agree."

### *Sample Designing and Data Collection*

To test the hypotheses, researcher visited two hypermarket (Hyper city & Big

Bazaar) located in Central India (Bhopal) for data collection. First hypermarket Hyper-city provides an international shopping experience with widest range of quality products accomplished a total number of 12 stores and have marked its presence in cities like Mumbai, Hyderabad, Bengaluru, Bhopal, Ludhiana, Amritsar, Pune, Ahmedabad and Jaipur where customers can shop comfortably in a large, modern, & exciting environment. More than 2 million customers visit Hyper-city stores every month and it offers over 44,000 products to both local & global markets (<http://www.hypercityindia.com/overview/>). The Big Bazaar is another hypermarket operates in multiple retail formats in both the hypermarket, supermarket and home segments of the Indian consumer market, which caters every need of the customers in 95 cities across the country through over 10 million square feet of retail space. Over 300 million customers visit stores each year to purchase products and services supplied by over 30,000 small, medium and large entrepreneurs and manufacturers from across India (<http://www.FutureRetail.co.in/about-us/overview-retail.html>). Researcher himself visited the hypermarkets and it has been observed that approximately 60,000 to 80,000 customers visiting every month in these two retail stores.

The questionnaires were distributed by using convenience sampling method (a type of non-probability sampling) to the customers those who are more convenient to answer the questions. Total numbers of 144 completely filled questionnaires were collected from 160 (80-80 each) out of 300, distribute in the months of April 2015 and finally used for further analysis. Table-1 shows the demographic profile of the respondent.

Formula used for sample size determination is  $SS = Z^2 * (P) * (1-P) / C^2$  formula (<http://www.surveysystem.com/sample-size-formula.htm>).

Where the SS represents necessary sample size, Z represents Z value (e.g. 1.96 for 95% confidence level), P refers to standard deviation (.5 used for sample size needed) and C represents confidence interval, expressed as decimal (e.g., .08 = ±8).

**Table-1:** Demographic Profile of Respondent

Category	n	Percentage
<b>Gender</b>		
Male	83	58%
Female	61	42%
<b>Age</b>		
18-25	90	62.50%
26-35	54	37.50%
<b>Occupation</b>		
Service	62	43.06%
Profession	29	20.14%
Students	53	36.81%
<b>Salary Structure</b>		
0-200000	53	36.81%
200000-400000	69	47.92%
400000-600000	22	15.28%

**Table-2:** Measurement Summary

Construct	Items	Factor Loadings	AVE	CR	Cronbach's Alpha
Product (H1)	Multiple Brand	0.92	0.64	0.87	0.81
	Superior Quality	0.64			
	Varieties in product	0.92			
	Small Packing/Quantity	0.67			
Price (H2)	Fair Price	0.95	0.85	0.94	0.91
	Competitive Price	0.86			
	Low & High Price	0.95			
Promotion (H3)	Advertisement	0.83	0.79	0.88	0.75
	Sales Promotion	0.94			
Experience (H4)	Emotional Attachment	0.81	0.78	0.88	0.75
	Relax and Refresh	0.95			
Services (H5)	Customer Interaction	0.96	0.75	0.90	0.82
	Credit & Home delivery facility	0.63			
	After Sale Service	0.96			
Patronage	Convenience	0.85	0.78	0.88	0.73
	Value for Money & time	0.92			

Note: AVE=average variance extracted, CR=composite reliability.

### Data Analysis, Scale Validity and Reliability

First the data was checked for sampling adequacy through Kaiser-Meyer-Olkin (KMO), where the value of KMO is 0.629 (greater than 0.05). Bartlett test of Sphericity ( $\chi^2 = 318.366$ ,  $df=15$ ,  $p = 0.00$ ) represented the adequacy of the data for further analysis. SmartPLS 2.0 (Ringle et al., 2005) software is used for determining the association between constructs and their influence on customer patronage behaviour. With the help of confirmatory factor analysis using SmartPLS 2.0 researcher identifies the values of factor loading, AVE, composite reliability and cronbach's  $\alpha$ , (Werts et al., 1974; Raykov, 1997) show in the Table-2. The value of factor loadings is in between 0.63 to 0.96 and for AVE it is from 0.64 to 0.85. Fornell and Larcker (1981) suggest that the value of outer factor loadings & average variance extracted (AVE) which should be greater than 0.50.

The value of Composite reliability (CR) and Cronbach's alpha for all the construct is greater than 0.70 were CR measure the construct's internal consistency and Cronbach's alpha believed to be under-estimate scale reliability and it should be exceed the suggested threshold criterion of 0.70 for both (Nunnally, 1978). To test the multicollinearity assessment which influences the results, the value of tolerance and variance inflation factor (VIF) have been examined along with  $\beta$ -coefficient,

t-value and p-value (Table-3) with the help of IBM SPSS 20 software, where latent variable scores (calculated by SmartPLS) used as input for multiple regressions. There is no multicollinearity between the independent variables when the VIF values for variables had not exceeding 5 and tolerance level of  $>0.2$  (Grewal et al., 2004; Hair et al., 2011). Using a two-tailed t-test the path coefficient is significant if the t-value is larger than 1.96 at significance level of 5%.

**Table-3:** Structural Path Estimates

Path	Coefficients	t-value	P-value	Tolerance	VIF	Result
Product -> Patronage	.778	17.748	.000*	.754	1.326	Accepted
Pricing -> Patronage	.113	2.666	.009*	.813	1.230	Accepted
Promotion -> Patronage	-.047	-1.078	.283	.759	1.317	Rejected
Experience -> Patronage	-.101	-2.242	.027	.708	1.413	Rejected
Services -> Patronage	.120	2.942	.004*	.872	1.147	Accepted

Note: \*P< 0.05, based on two-tailed test; t=1.96.

## Findings and Conclusion

Today customer wishes more value for money, better services and competitive pricing while shopping from hypermarket retail stores because it is considered as the place where customer will get branded products having varieties in product along with superior quality. Therefore, this research study presents the importance and existence of retail functional strategies in the growth of hypermarket retail formats. The resulted values of this study indicates that Product ( $\beta=0.778$ ;  $p=0.00$ ), Price ( $\beta=0.113$ ;  $p=0.009$ ) and Services ( $\beta=0.120$ ;  $p=0.004$ ) shows significant positive effects on patronage behaviour. Thus, the hypothesis H1, H2 and H5 (Table-3) were accepted by the researcher. Study also demonstrated that the numerous promotional activities have been used by the hypermarket retailers to magnetize the customers mind towards hypermarket retail store in order to increase the sales. Sometimes the patronage behavior in the hypermarket generates conflict and confusion in decision making and creates difficulties in the customer related to the quality question of the product and services. Thus, fewer customers like to make a purchase and repurchase from particular retail stores. Retailers also facilitate convenience, entertainment, enjoyment and relaxing shopping environment in the store, but it will not affect the decision of customers who visit the store only to purchase the quality product along with better services not to enjoy the environment. Therefore, the resulted values for the construct promotion ( $\beta=-0.047$ ;  $p=0.283$ ) and experience ( $\beta=-0.101$ ;  $p=0.027$ ) shows insignificant negative effects on patronage behavior due to negative values in  $\beta$ -value and t-value, so the hypotheses H3 and H4 are rejected by researcher.

Finally the conclude that the customer patronage behaviour in the hypermarket retail stores are influenced by functional strategies (HR and Marketing) and the retailers have to create more value for money in the retail atmosphere where customers recognize more value for its spending either on the product or services. It is also suggested that the large variations in retail functional strategies will create differences in different levels of retail performance and motivate retailers to focus more on the development creative retail functional strategies. Thus it is important for the retailers while preparing the business strategy and getting competitive

advantages in the market, must have to focus on qualitative products, after sale services, better relationship with customers, attractive pricing & promotional strategies and facilitating in-store facilities coupled with focused customer as a part of functional strategy.

### **Managerial Implications**

Finally the study presents some managerial implication and it is suggested that an understanding of customer shopping experience at retail store with their patronage behaviour related to product and services may help retailers in better management of these strategies. Similarly, the understanding also motivate retail store managers in enhancing the retail store performance and also helps them in getting competitive advantages over others in the market place, though it is directly related to retail functional strategies (low cost, promotional, product variety, service and experience advantages). By adopting these strategies in apposite way guide retailers in creating an enjoyable shopping experience and produce an expectation in the customer mind for the more favorable customer experience in store. Thus, the focused group customers based on assortment of product and services, expectation on prices and their previous shopping experience in the retail store improve the performance of the hypermarket retail stores, in addition it also helps in the growth of Indian economy and considered as a major role playing in business level strategies.

### **Limitations of the Study and Directions for Future Research**

This study is based on two hypermarket format (Hyper City & Big Bazaar) of central India Bhopal Madhya Pradesh with the sample size of 144 between 18 to 35 age group and the study findings are also limited to the urban retail markets. Therefore, the result of this study cannot be generalized as we have taken only one city for the study. This study focused to understand the importance of some specific variables product, price, promotion, experience and services as a part of Marketing and HR functional strategies on patronage behavior of the customer in retail stores. Future researchers can also an incorporate some other variables in their study by focusing procurement of product and financial management in retail operations. There results will also produce some more affluent insights that can be become the useful pointers for the retailers and marketing managers in formulating and implement better functional strategies to get sale and performance robust.

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# Young Users' Attitude Toward Internet Use – The Role of Personal and Family Variables

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## Abstract

The authors adopt socialization explanation for young internet users' attitude toward internet use. Attitude is theorized as an outcome of socialization process, involving two socialization agents: parents and internet use. In particular, it is hypothesized that perceived internet parental mediation (interaction restrictions, active co-use, monitoring and Indulgence restrictions), indulgence of users in online activities along with demographic variables (age and gender) are related to attitude. The results of the study reveal that interaction restrictions and indulgence restrictions significantly add to skepticism in young internet users about internet use. But indulging in online activities viz., search information for learning and doing homework, web surfing for interesting topics and connecting with friends significantly predict positive attitude. Finally, implications for marketers and policy makers are presented.

**Keywords:** Internet, Internet Parental Mediation, Online Activities, India, Young Users

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## Introduction

Internet has become well established media in the lives of youth (McMillan and Morrison, 2006). But there remains dearth of research on how youth perceive this medium and how this medium may act as a socialization agent to predict young people's attitude toward its use. It is important for parents, policy makers and researchers to understand attitude of young users as these users have enormous purchasing power and influence purchase decisions of the family too (Chavda et al., 2005; Sharma and Sonwaney, 2014). Attitude is defined as "a learned predisposition to respond to an object or class of objects in a consistently favorable and unfavorable way" (Allport, 1935). Parental media mediation strategies can play an important role in fostering development of young users' attitude toward internet use. Also, internet itself can socialize youth and hence influence their attitude toward media. Past literature has largely focused on the role of television as socialization agent (Dotson and Hyatt, 2005). Number of studies have explored the relationships

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between parental television mediation behaviors, family communication patterns and advertising attitudes of parents (mothers) with children below 15 years of age (Buijzen and Valkenburg, 2005; Mukherji, 2005; Guo and Nathanson, 2011). However, it has been seen that time spent online by adolescents also predicts style of internet parental mediation (Morentin et al., 2014). Moreover, Feng and Xie (2014) identified significant role of parents and use of social networking sites (SNSs) in predicting teenagers' privacy-protecting behaviors online. But, previous literature lacks in providing direction about the impact of socialization agents such as parents and child's characteristics (personal variables and internet use) on young users' attitude toward internet content. Therefore, the main objective of the study is to identify the antecedents of young users' attitude (e.g. positive/negative attitude) and to link these to various environmental factors focusing in particular on online activities and on types of parental internet mediation strategies followed in young users' households.

### *Young Users and Internet*

Children play a very important role in the acquisition of internet connection in the family and its use then becomes an important matter for discussion in the family (Rompaey et al., 2002). Teenagers, on an average go online more than seven hours per week and consider it as a highly valuable educational tool (Jung et al., 2005). Mafe and Blas (2006) reported that young users are particularly highly exposed to internet are internet dependent people. They enjoy playing or downloading computer games (Connolly et al., 2012), searching for information about animals, watching songs and visiting kids' entertainment sites while being online (Valkenburg and Soeters, 2001). Internet is seen as a useful tool for supporting homework as well as for learning functional skills by majority of families (Cranmer, 2006). Kim and Jeong (2015) found that more experienced and conscientious users surfed internet for multiple functions than users who are more emotionally stable.

Internet has become an important means of entertainment as well as a channel for speedy communication in India. Internet user base in India ranks third largest in the world after China and United States and is currently about 120 million users (Technology, Media and Telecom Practice, 2012). Majority of users in India are younger than those in other emerging economies<sup>1</sup>. Although, Indian users spend less time online per capita as compared to users in developed nations, yet, internet is frequently used for social networking and communication. It also serves to influence purchase decisions of Indian consumers for products and services such as apparels, books, financial services, and travel for those who use internet and the figures are comparable with those of the users in developed nations (Technology, Media and Telecom Practice, 2012). Roy (2009) reported that Indian students surf internet for self development, relaxation, and seeking career opportunities. Moreover, they use internet as it is user friendly and gives wide exposure to them. Indian teenagers especially boys play online games more frequently which diminishes their involvement in other social activities. For example these users start withdrawing from society and do not interact with the outside world as much as the girls do (The Hindu, August 24, 2013).

## **Parents as Socialization Agents**

Internet exposure on one side helps young users in learning on their own (Cranmer, 2006), facilitates downloading e-resources and e-mail interactions (Sam et al., 2005) etc. yet, increased exposure to internet is also seen to produce undesirable outcomes in users such as promoting violence (Valkenburg and Soeters, 2001) and internet addiction (Jiang, 2014). Owing to undesirable effects of internet use, parents try to combat negative effects of internet use on children. They are seen to use specific media mediation strategies to shield children from undesirable effects of internet exposure (Livingstone and Helsper, 2008).

Researchers have reported active co-use, technical restrictions, interaction restrictions, and monitoring as forms of parental mediation strategies used to regulate internet use of children (Duerager and Livingstone, 2012; Livingstone and Helsper, 2008; Sonck et al., 2013). Active co-use means active participation of parents with their wards while they use internet. They do so by sitting in front of computer screen and the child goes online or they stay in the same room and indulge in active discussions about online activities with their wards. In technical restrictions, parents use technology such as filtering or blocking some sites to protect children from undesirable online content. Interaction restrictions is the practice of using bans on five online activities – using e-mails, chat rooms, instant messaging, downloading and playing games online with which children keep in touch with others (peer-to-peer interactivity). Lastly, monitoring is a parental mediation style in which parents check their children online activities covertly or overtly, during after use. Young Indian users are highly involved in internet use, the present study explores as to how internet usage and parental mediation taken together, influence attitude of young users towards internet use.

## **Hypotheses for the Study**

### ***Parental Mediation Strategies and Attitude Towards Internet Use***

Children who receive active and restrictive parental mediation are likely to experience more positive outcomes as well as understanding of TV content (An and Lee, 2010). But, as far as the issue of influence of internet parental mediation on children's attitude toward internet content is concerned, previous research lacks in providing direction. However, Mendoza (2009) reported that parental mediation strategies foster media literacy in children which further mitigates harmful media effects. Available literature on attitude towards internet use has depicted parents' report on their own attitude towards internet content directed at children and mediation styles they use to regulate children internet use. These studies specified that parents' own perception towards internet use predicts the style of mediation they follow with children (Eklund and Bergmark, 2013; Lee, 2012; Nikken and Jansz, 2014). It has been reported that negative parental perception about internet content motivates them to regulate children's internet use and these parents use more restrictive style of mediation (Lee, 2012). Moreover, parents indulge in more mediation with their wards when they perceive more negative as well as positive effects of internet use on their wards (Nikken and Jansz, 2014). From the discussion, it can be seen that parents who use restrictive mediation with their

wards more frequently because of holding negative attitude toward internet use, their wards may also hold negative attitude toward internet content and hence perceive greater use of restrictive style of mediation more frequently with them and vice-versa. It implies that children perceive effects of internet use in a manner which is similar to parents that further facilitates attitude formation accordingly. In light of this discussion, the following four hypotheses have been proposed:

*H1: Attitude of young internet users' toward internet use will vary according to parental mediation strategies (H1a. interaction restrictions, H1b. active co-use, H1c. monitoring, H1d. Indulgence restrictions).*

## **Internet Use and Attitude Towards Internet Use**

Little research to date explores young people's use of Internet and its role as a socialization agent (Moscardelli and Liston-Heyes, 2005). These researchers conducted a survey in the USA and found a negative relationship between internet use and adolescents' skepticism towards advertising. It implies that adolescents who use internet more often are less skeptical and hold positive attitude towards advertising. Dufflett (2015) also reported that young adults who used internet more frequently depicted favorable attitude towards advertising on Facebook. Moreover, Wu and Chen (2015) found that social influence and information quality directly determine users' intention to use Facebook for learning. Huang (2008) indicated that entertainment, perceived usefulness and ease of web use are the key factors that create intention to use internet which further leads to attitude formation in users.

Internet is becoming the 'norm' in life of an average Indian youth. These users are seen to indulge in social networking, viewing videos, photos and graphics, listening to music, watching television, playing games online, checking e-mails and messages and even catching up on the news simultaneously. As per a recent study conducted in India, teenagers spend a lot of time online in which they use over twenty six per cent of their online time for entertainment while only two per cent for education purposes (The Hindu, August 24, 2013). According to comScore report, youth in Indian spend a quarter of their online time on social media sites like LinkedIn and Twitter and they use twenty three per cent of time on email (The Hindu, August 24, 2013). As youth depict a lot of internet use, investigating the effects of this medium on young users' attitude is bound to produce interesting insights. Therefore, the present study assumes that indulging in useful online activities may result in positive outcomes and thereby enhance positive attitude of young users' toward internet use.

*H2: Attitude of young users toward internet use will vary across online activities (H2a. search information for learning and doing homework, H2b. web surfing for interesting topics, H2c. playing online games, H2d. leisure (listen to music, radio, video, TV program), H2e. connect with friends (e.g. MSN, email, chat rooms, facebook), H2f. blogging/website publishing).*

## **Research Methodology**

### *Data Collection and Participants*

A survey (N = 714) has been conducted using proportionate sampling by

incorporating sample as per population proportion in the age category 15 to 24 years with respect to three cities of Punjab (India) – Amritsar, Jalandhar and Ludhiana (Census, 2011). This particular age category has been selected as the previous studies depicted the role of parental mediation in mitigating the media effects on children especially below the age of 15 years. However, Indian parents are more hand on for their young adult children as parenting never ends in Indian society irrespective of their children's age in mitigating media effects. In the same way, Benrazzavi et al. (2015) illustrated and found the significant role of parental mediation in mitigating problematic online gaming among youth (16 to 22 years) in Malaysia. These young internet users have been approached through schools and colleges of Punjab. With the permission of Principal of each school and college, teachers were requested to distribute questionnaires among students in their respective classrooms. Of the 800 questionnaires that were distributed to them, 714 (89.25%) usable questionnaires were returned. The sample comprised primarily of boys (51.3%), age category 15-19 years (51.4%) with weekly pocket money ranging from INR. 251-500 (46.8%) belonging to families with monthly family income less than INR. 50000 (59.8%). Moreover, (61.6%) respondents reported that mothers acted as primary caregiver to them.

### **Measures**

Perceptions of young users about parental internet mediation strategies have been measured through an eighteen item scale developed by Livingstone and Helsper (2008) on a 4-point scale ranging from 1 'never' to 4 'often'. An eighteen item scale has been adapted from Tsai et al. (2001) to measure the attitude of young users toward internet use on 5-point likert scale where 5 represents 'strongly agree' and 1 represents 'strongly disagree'. One statement labeled "I only use the internet at schools when told to" was deleted because of its incompatibility to the education culture followed by schools and colleges in Punjab. Attitude of young users toward internet use has been aggregated by adding the scores for each included item and dividing this by the number of items. Internal consistency and descriptive statistics of the 17 item scale are (Cronbach's alpha = 0.745, mean = 3.83 and S.D. = 0.42).

Internet indulgence has been measured through participation in six online activities. These online activities are: search information for learning and doing homework (mean = 2.40, S.D. = 0.58), web surfing for interesting topics (mean = 2.33, S.D. = 0.62) playing online games (mean = 1.74, S.D. = 0.75), leisure (listen to music, radio, video, TV program) (mean = 2.35, S.D. = 0.64), connecting with friends (e.g. MSN, email, chat rooms, facebook) (mean = 2.53, S.D. = 0.64), blogging/website publishing (mean = 1.50, S.D. = 0.63). Responses have been gauged on three point scale ranging from 'mostly'= 3 to 'never'= 1. Hierarchical regression has been employed to examine the role of child personal and family variables on young users' attitude toward internet use using SPSS and AMOS 19.0.

### **Data Analysis and Findings**

In order to examine the perceived internet parental mediation, exploratory factor analysis has been applied to the 18 statements. The analysis yielded a four-factor

solution which explained 61.590 per cent of the total variance. The statements, mean values, standard deviations and factor loadings are shown in Table-1. This table also depicts name, percentage of variance explained, eigenvalue and Cronbach's alpha of each construct.

**Explanation of Factors**

All the factors have been given appropriate name according to the variables that have loaded on to each factor. Interaction restrictions (five items) represent that parents do not allow their wards to use e-mails, chat rooms and instant messaging while surfing internet. Besides, they place restrictions on downloading things as well as playing games online. In active co-use (six items), parents specifically stay nearby, watch the computer screen, help children about internet use and talk to them about internet use. Monitoring (four items) factor denotes that parents install filtering and monitoring software, check the sites visited by children and also check their e-mails in order to shield them from undesirable influence of internet use. In indulgence restrictions (three items), parents do not allow children to give out their personal information online as well as do not allow them to buy things online or to fill online forms or quizzes.

**Table- I: Factor Analysis of Perceived Parental Mediation Strategies**

Labels	My parent (s)...	Constructs and indicators		
		Mean values	S.D.	Factor loadings
	<b>Interaction restrictions (F1)</b>			
S12	....does not allows me to use instant messaging.	1.71	0.96	0.822
S11	....does not allows me to use chat rooms.	1.70	0.97	0.784
S13	....does not allow me to play games on the internet.	1.70	0.96	0.683
S14	....does not allows me to download things on the internet.	1.59	0.91	0.627
S10	.... does not allow me to use e-mail.	1.50	0.85	0.605
	<b>Percentage of variance explained</b>		17.094	
	<b>Eigenvalue</b>		7.124	
	<b>Cronbach's Alpha</b>		0.859	
	<b>Active co-use (F2)</b>			
S5	....talks to me about the internet use.	2.25	0.99	0.717
S2	....stays nearby when I am online.	1.75	0.89	0.694
S3	....watches screen when I am online.	1.76	0.90	0.683
S6	....sits with me when I am online.	1.75	0.90	0.657
S4	....helps me when I am using internet.	1.77	0.94	0.627
S1	....makes rule about the time spend by me online.	2.17	1.08	0.514
	<b>Percentage of variance explained</b>		16.764	
	<b>Eigenvalue</b>		1.573	
	<b>Cronbach's Alpha</b>		0.812	
	<b>Monitoring (F3)</b>			
S16	.... has installed monitoring software.	1.58	0.92	0.812
S15	.... has installed filtering software.	1.60	0.92	0.763
S17	....checks the sites visited by me later.	1.47	0.82	0.680
S18	....checks my e-mail messages.	1.38	0.78	0.627
	<b>Percentage of variance explained</b>		16.046	
	<b>Eigenvalue</b>		1.387	
	<b>Cronbach's Alpha</b>		0.819	
	<b>Indulgence restrictions (F4)</b>			
S8	....does not allows me to buy anything online.	2.21	1.11	0.811
S9	....does not allows me to fill out online forms/quizzes.	1.77	1.00	0.713
S7	....does not allows me giving out personal information online.	2.31	1.12	0.653
	<b>Percentage of variance explained</b>		11.685	
	<b>Eigenvalue</b>		1.001	
	<b>Cronbach's Alpha</b>		0.701	

Thereafter confirmatory factor analysis (CFA) using Maximum likelihood estimation method has been employed to examine the validity of four factor model. Hence, construct validity and model fit indices of perceived parental mediation have been examined. Construct validity has been investigated through face, convergent and discriminant validity. The results show that one statement (S5) “my parent(s) talks to me about the internet use” has lower value of standardized factor loading which is found to be 0.48. Hence, this statement has been deleted (Hair et al., 2010). Again CFA has been employed with seventeen statements and now standardized factor loadings are greater than 0.50. Average variance extracted (AVEs) of all four constructs are greater than 0.50 and composite reliability (CR) is more than 0.70 which is acceptable (Hair et al., 2010) and confirms the convergent validity of the model. Square root of the AVE of each construct is greater than the inter-construct correlations which state that all three constructs of perceived parental mediation are clearly distinguishable from each other (Zait and Berteau, 2011). Hence, it confirms discriminant validity of the model. Face validity is also satisfied as the contents of each statements measuring parental mediation are consistent with the construct definition. Model fit indices also indicate an adequate fit for the perceived parental mediation model with normed ( $\chi^2$ )/df = 4.63, goodness of fit index (GFI) = 0.92, adjusted goodness of fit index (AGFI) = 0.90, root mean square error of approximation (RMSEA) = 0.07 and comparative fit index (CFI) = 0.93. All fit indices are within the limit prescribed in the literature (Hair et al., 2010) hence, it supports model fitness. This suggests that the hypothesized model with 17 statements is sufficient to measure internet parental mediation in Indian settings.

### *Hierarchical Regression Analysis*

Further in order to investigate whether attitude of young internet users towards internet use (dependent variable) is influenced by perceived internet parental mediation (interaction restrictions, active co-use, monitoring, and indulgence restrictions), indulgence in online activities (search information for learning and doing homework, web surfing for interesting topics, playing online games, leisure (listen to music, radio, video, TV program), connecting with friends (e.g. MSN, email, chat rooms, facebook), blogging/website publishing) along with demographic variables (age and gender of young internet users), hierarchical regression analysis has been employed. Before studying the influence of independent variables on dependent variable, bivariate correlations between all variables have been checked. The correlations as depicted in Table-2 explicates that attitude of young users toward internet use is significantly associated with parental mediation strategies. In addition to this, many online activities also exhibit significant associations with attitude. Therefore, these variables have been included in further analysis.

**Table-2:** Correlation Coefficients for All Variables

Variables	1	2	3	4	5	6	7	8	9	10.	11	12
1. Attitude of users towards internet use												
2. Interaction restrictions	-0.350**											
3. Active co-use	-0.339**	0.888**										
4. Monitoring	-0.334**	0.878**	0.978**									
5. Indulgence restrictions	-0.342**	0.869**	0.969**	0.985**								
6. Search information for learning and doing homework	0.088*	0.003	0.041	0.028	0.027							
7. Web surfing for interesting topics	0.192**	-0.049	-0.010	-0.015	-0.023	0.210**						
8. Playing online games	0.006	0.036	0.058	0.072	0.064	-0.040	0.050					
9. Leisure	0.125**	-0.062	-0.045	-0.038	-0.038	-0.077*	0.064	0.230**				
10. Connect with friends	0.255**	-0.135**	-0.107**	-0.108**	-0.111**	-0.212**	0.037	0.033	0.228**			
11. Blogging/website publishing	0.045	0.011	0.029	0.030	0.013	0.037	0.181**	0.088*	0.068	0.072		
12. Age of young users	0.062	-0.120**	-0.170**	-0.174**	-0.198**	0.065	0.123**	0.038	-0.091*	0.044	0.076*	
13. Gender of young users	-0.007	-0.002	-0.025	-0.008	-0.021	-0.229**	0.055	0.065	0.025	0.062	0.119**	-0.066

Thereafter, in the hierarchical regression model, demographic variables viz., age and gender have been entered in the first step and perceived internet parental mediation strategies (interaction restrictions, active co-use, monitoring, and indulgence restrictions) and six online activities have been entered along with these variables in the second step. The results are presented in Table-3.

**Table-3:** Summary of Hierarchical Regression Analysis for Variables Predicting Attitude of Young Users Toward Internet Use

	Attitude towards internet use $\beta$	
<b>Independent variables</b>		
<b>Step 1</b>		
Age	0.062***	(0.028)
Gender	-0.003	(-0.015)
R <sup>2</sup>	0.004	
<b>Step 2</b>		
Interaction restrictions	-0.135***	
Active co-use	-0.190	
Monitoring	0.322	
Indulgence restrictions	-0.336***	
Search information for learning and doing homework	0.115*	
Web surfing for interesting topics	0.149*	
playing online games	0.000	
Leisure (listen to music, radio, video, TV program)	0.054	
Connect with friends (e.g. MSN, email, chat rooms, facebook)	0.222*	
Blogging/website publishing	0.000	
<b>R<sup>2</sup> change</b>	0.216*	
<b>Total R<sup>2</sup></b>	0.219	

Notes: 1. Cell values without brackets are standardized multiple regression weights reflecting the relation between the predictor and the dependent variable while controlling for all of variables entered.

2. Cell values in brackets reflect the relation in the first step of analysis.

\*p value significant at 1% level of significance, \*\*\*p value significant at 10% level of significance.



Table-3 exposes that in the first step of the block, demographic variables i.e. age and gender accounted for 0.4 per cent of variance in predicting attitude of young users toward internet use where,  $F(2, 711) = 1.391, p > 0.10$ . In the second step, there is significant increase in variance explained for predicting attitude of respondents toward internet use. Perceived internet parental mediation and online activities together added 21.6 per cent to the explained variance in predicting users' attitude toward internet use leading to  $F(10, 701) = 19.362, p < 0.01$ . Of the perceived internet parental mediation, interaction restrictions and indulgence restrictions significantly and negatively influence attitude at 10 per cent level of significance. Hence, hypotheses *H1a* and *H1d* are supported. As regards online activities in which young users frequently engage in, three online activities – search information for learning and doing homework, web surfing for interesting topics and connect with friends (e.g. MSN, email, chat rooms, facebook) significantly and positively predict attitude at 1 per cent level of significance. Thus, hypotheses *H2a*, *H2b* and *H2e* are supported. With respect to demographic variables, age of young users significantly and positively influences attitude. This implies that as the age of users increases, they exhibit positive attitude towards internet use. These findings suggest strong support for the influence of perceived internet parental mediation and users' indulgence in online activities in predicting their attitude toward internet use.

## **Conclusion and Discussion**

The present study explores and validates four dimensions of perceived internet parental mediation namely, interaction restrictions, active co-use, monitoring and indulgence restrictions. This reveals that parents primarily use interaction restrictions with young users and do not allow their wards to use e-mails, chat rooms and instant messaging while surfing internet. At the same time, young users demonstrate that parents also accompany them while using internet and talk to them about internet use. Parents also install filtering, monitoring software and do not allow their wards to give out personal information online in order to shield them from undesirable influence of internet use. This suggests that parents use multiple strategies to mitigate negative effects of internet use among youth. Moreover, the findings reveal that perceived internet parental mediation especially interaction restrictions as well as indulgence restrictions significantly add to skepticism in young internet users about internet use. This implies that young users hold negative attitude toward internet use when their parents use more restrictions than follow monitoring and active co-use styles of mediation with them. There are some possible explanations for this result. First, young users may feel that their credentials can be hacked by others and consequently the fear of inappropriate use of these credentials is high. Moreover, in case of buying online, there is always a risk of getting poor quality products, defective products and un-standardized merchandise. Therefore, these restrictions help children in learning about negative effects of internet use which further facilitates development of skepticism towards internet use.

Although the use of internet among young generation is often cast in a negative light as its use is seen to result into addiction toward internet (Jiang, 2014). The

results of the present study reveal that indulgence in useful online activities has positive effects on young users' attitude toward internet use. The results show that young users mostly engage in connecting with friends online, followed by web surfing for interesting topics and search information for learning and doing homework which contributes in positive attitude toward internet use. They find internet as a platform indulge in user-user interactions and at the same time aids in connecting with old friends too. Internet as a search tool also helps young users in exploring the information required for learning tasks and for their homework support. Alongside, they report internet to provide them an opportunity to surf interesting topics that further strengthens their knowledge base. This suggests that they derive many benefits from internet which further contributes to their positive attitude towards internet use.

## **Implications**

The present study extends existing literature by simultaneously examining the impact of internet parental mediation and young users' indulgence in online activities in predicting attitude of young users toward internet use. Such attitude (positive/negative) is the key to development and evaluation of public policies about activities promoted online. Moreover, present research reveals that socialization provides a valuable theoretical framework for understanding young users' attitude towards internet use.

Since parents use filtering software to shield their wards from unwanted online content, it becomes imperative for device manufacturers to in build such softwares. Also, awareness about these mechanisms among parents and young users should be increased in order to improve the accessibility and use of these mechanisms. Since, parents play a predominant role in shaping users' attitude, they should cautiously use internet mediation strategies so as to engender young users' positive attitude toward desirable internet content and at the same time aid in building skepticism toward undesirable online content. So emphasis should be given to the preeminent role which parents occupy in attitude formation of young users. On the other hand, policy makers should device ways to strengthen internet security of young internet users and unsafe internet content should be blocked. In certain Indian families, children tend to be more tech savvy as compared to parents. In such situations parents are unable to figure out the undesirable effects of internet use. Therefore, public awareness campaigns could be promoted to make parents aware of the need for regulated internet use by children.

The positive relationship between indulgence in useful online activities and attitude of young users toward internet as revealed through the present study may also have implications for marketers. As young users indulge in various online activities, there is opportunity for industry to develop greater positive content for these users by implementing safety features (e.g. requires parents' consent when the child share his/her personal information online) at online gateways used by them. Marketers on the other hand can advertise their products/services alongside online activities since working on internet and demonstration of internet ads are integrated. By a single click, young users can get information regarding the merchandise advertised online.

## Limitations and Directions for Future Research

The present study has certain limitations which could be addressed in future research. The study examined only parents and internet use as socialization agents. It would be interesting to incorporate other socialization agents such as peers who might influence young users' attitude toward internet content, as literature provides strong support of these variables in predicting attitude toward advertising.

Finally, the study examined the influence of six online activities, but the list of online activities is exhaustive and inclusion of other activities may contribute to formation of young users' attitude and hence provide comprehensive picture of their influence on attitude. Only a single media has been taken. Future research may perform comparative analysis of traditional media (TV) and modern media (internet) in predicting attitude.

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