

NSHM JOURNAL

OF MANAGEMENT RESEARCH AND APPLICATIONS

NJMRA Volume 5, Number 2, December 2015

Bi-annual Peer Reviewed Journal

© Copyright : NSHM Business School, NSHM Knowledge Campus Kolkata, India.

All efforts are made to ensure the correctness of published information. However the views expressed are those of respective authors and do not reflect the views of NJMRA or NBS. Every effort has been made to ensure that published information is free from copy right violations. However, authors are solely responsible for copyright violation if any and NJMRA does not accept any responsibility for any inadvertent omissions.

Printed at : BPW, Mob: 98366 78754

Chief Editor

Dr. Udayan Kumar Basu

Editorial Committee

Dr. Supriya Biswas
Dr. Mukul Mitra
Dr. Soujanya Pudi
Prof. Shampa Chakraberty
Prof. Sameek Ghosh

Publisher

NSHM Business School, Kolkata

Editorial Advisory Board

Dr. Sudip Bhattacharjee
University of Connecticut School of Business, USA

Dr. Arpita Dhar
Jadavpur University, Kolkata

Dr. Diganta Mukherjee
Indian Statistical Institute, Kolkata

Dr. Tapan Panda
*School of Management, BML
Munjal University, Gurgaon*

Dr. Jayanta Kumar Seal
Indian Institute of Foreign Trade, Kolkata

MESSAGE FROM THE CHIEF-MENTOR

I am glad to see the December, 2015 issue of the NSHM Journal of Management Research and Applications (NJMRA), which aims at providing the much needed platform for a meaningful exchange of knowledge and ideas between the industry and the academic fraternity. It is truly satisfying that NJMRA is shaping up as a standard journal by attracting articles of requisite quality from all parts of India. The subjects dealt with in such high quality papers cover all possible areas of management.

Such a steady progress would never have been possible without the sincere and sustained effort of the current editorial team and I compliment them wholeheartedly on this count.

Cecil Antony

Chief Mentor

NSHM Knowledge Campus

MESSAGE FROM THE FOUNDING DIRECTOR

It gives me great pleasure to find that the December, 2015 issue of the NSHM Journal of Management Research and Applications (NJMRA) is out. This journal is one of our initiatives to highlight NSHM Business School's commitment to research and innovation as an integral part of management training. To put such a quality research publication on a firm footing is no doubt a stupendous task and our current editorial team deserves kudos for accomplishing this mission. NJMRA has been meticulous about selection of the papers from a wide range of topics and is well poised to establish the much needed connect among researchers, academicians and company executives for a useful exchange of views and ideas.

I reiterate my deepest appreciation for the dedicated efforts by the current editorial team and wish them all the success in their endeavours.

Rajib Chanda

Founding Director

NSHM Knowledge Campus

MESSAGE FROM THE DIRECTOR

Buoyed by the response we have received from the authors and readers, we have rededicated ourselves to making NJMRA a truly representative platform for sharing the vast intellectual and practical domain knowledge in the field of management. We are making constant efforts to broad base the appeal of the journal to a wider spectrum of contributors and followers. Today, there is hardly an aspect of endeavor which can claim to have no influence of management thought, practice or ethos. In spite of strong critics of the ubiquitous nature of the field, there is a growing evidence of its importance in all spheres of human activity.

The range of articles in the present issue reflects the belief we hold that management as a practice and domain of enquiry pervades the entire gamut of industry. However, lest disengaged knowledge pursuit leads to a suboptimal effect on society, we must be cautious about the issue of corporate citizenship, embodied in a forceful exhortation from Immanuel Kant: "Always recognize that human individuals are ends, and do not use them as means to your end."

As always, welcoming all to partake of this humble offering from our research team, and soliciting any feedback on this. We will be grateful for such gestures that would make NJMRA more and more focused on its prime objective of being a trusted partner in our journey of reading, thought and dialogue.

Dr. Naveen Das

Director

NSHM Business School, Kolkata

FROM THE DESK OF THE CHIEF EDITOR

We have the pleasure to present the December 2015 issue of the NSHM Journal of Management Research and Applications (NJMRA).

While bringing out the issues of NJMRA, our editorial team has steadfastly stuck to the cherished goal of providing a platform for publication of research articles of merit, book reviews adopting a broad based platform spanning key areas of management. The current issue is a collection of papers and articles from diverse areas such as consumer behavior, advertising, banking and financial services.

The first article in this issue of the journal analyses the performance of Assam Gramin Vikash Bank. The second article covers a study on the consumers' perception, attitude, intention and behavior towards mobile advertisement. The third article has discussed the impact of television commercials on the purchase decisions of consumers in Andhra Pradesh. The fourth and concluding article is a study on developing risk return matrix for equity mutual fund scheme. In the book review section, the book selected is 'The leader who had no title' authored by Robin Sharma.

Like the previous ones, we hope this issue of NJMRA will be well received by the industry and academia. The editorial team would be glad to receive all kinds of comments and constructive suggestions for further improving the quality of the journal.

On behalf of the Editorial Team

Dr. Udayan Kumar Basu

PERFORMANCE OF ASSAM GRAMIN VIKASH BANK: AN ANALYSIS

Mr. Pinkumoni Kashyap
Dr. Kingshuk Adhikari
Dr. Nikhil Bhusan Dey

Abstract

Regional Rural Banks in India have undergone tremendous changes over the years. This paper evaluates the performance of Regional Rural Banks in India vis-a-vis Assam Gramin Vikash Bank from 2006 to 2013 based on select parameters. The study incorporates parameter like, total Deposits, total Advances, Credit -Deposit Ratio & Investment Deposit Ratio, Non Performing Asset to total Advances, Recovery position, Net Profit, Branch and Employee productivity. The data obtained from the respective annual reports of NABARD and Assam Gramin Vikash Bank have been analysed by employing Linear Growth Rate, Pearson Correlation and Ordinary Least Square trend equation. The study concluded that growth of Assam Gramin Vikash Bank is better as compared to Regional Rural Banks in India.

Keywords

Regional Rural Bank, Trend, Growth, OLS

Introduction

Since the beginning of social control of banks in India, the role of banks for rural development

Mr. Pinkumoni Kashyap
Research Scholar, Department of Commerce,
Assam University (A Central University), Silchar, India
Email: pinkumonikashyap@gmail.com
Mobile: 09577913706

Dr. Kingshuk Adhikari
Assistant Professor, Department of Commerce,
Assam University (A Central University), Silchar, India
Email: adhikari.au@gmail.com
Mobile: 9957286260

Dr. Nikhil Bhusan Dey
Professor, Department of Commerce,
Dean, Mahatma Gandhi School of Economics and Commerce
Former Dean, School of Management Studies
Former Head, Department of Commerce
Assam University (A Central University), Silchar, India
Email: nikhil.b.dey@gmail.com
Mobile: 9435740703

have been consistently pointing towards one direction, viz deeper involvement, more liberalized terms and conditions, greater commitment to poverty alleviation programme and large quantum of credit towards weaker sections (Patel and Khankhoje, 1991). Therefore, Government of India has appointed a working group on rural credit in 1975. The report of the committee revealed the fact that commercial outlook of banks; negligent behaviour of bank employees of both public sector and co-operative banks were the prime obstacles in rural credit delivery system in India. Thus, with the recommendation of working group, Government of India has established Regional Rural Banks (RRBs) in 1975. The new regionally rural oriented banks have been viewed as a key player among existing credit institutions for weaker section of the society.

The Regional Rural Banks have been ensuring access to credit in the rural areas since its inception. However, the changing economic scenario has through new challenges for these banks. Over the years RRBs banks have been associated with the problems of its viability. The viability of a financial institution like RRBs can be looked from the point of view of high rate of return on advances, low volume of NPA and operating costs. Therefore, it is necessary to understand whether resources accumulated by RRBs are utilized effectively for achieving overall growth or not. With this backdrop, present study is to analyze growth of Regional Rural Banks in India vis-a-vis Assam Gramin Vikash Bank.

Literature Background

Performance evaluation of Regional Rural Banks has been an area of attraction for both government and academician since its establishment. However, brief reviews of literature have been curved out in the present study. Rao (1980) opined that despite of shortcomings and short span of RRBs operation, there were considerable growth in deposits and advances of these banks Kumar (1986) observed that Regional Rural Banks have been able to meet the credit need of rural people. Balamohandas et.al (1991) also observed that Regional Rural Banks in India as well as Sri Visakha Grameena Bank of Andhra Pradesh have made significant growth in terms of deposit mobilization and channelization of credit. Sonara (1998) observe that there was phenomenal growth of RRBs of Gujarat in terms of deposits, advances, CD ratio, business etc. during the period under consideration. Rathore (2004) uncovered the fact that Avadh Gramin Bank has failed to channelize credit adequately in rural areas of Andhra Pradesh. Mishra and Rao (2006) found that advances and volume of overdue of RRBs in Orissa on both farm and non-farm sector have increased. Jagannath et.al (2008) opined that poor recovery, increasing number of willful defaulters, defective loan policies, inadequate supervision were the basic problems of RRBs in India. Bhaduri (2009) observed that over the years recovery performance of Regional Rural Banks in India has improved. Ishwara (2011) found that there has been significant improvement in terms of growth of deposit, advance, CD ratio, net profit of Regional Rural Banks in post amalgamation period. It is also observed that net NPA of RRBs come down during the period. Thus, brief review of literature indicates that there has been substantial growth of RRBs in India over the years but these banks could not able to reduce the overdue and NPA.

Objective of the study

The objective of the study is to compare the growth of Regional Rural Banks in India vis-a-vis Assam Gramin Vikash Bank in terms of Deposit Mobilized, Outstanding Advances,

Credit- Deposit Ratio, Investment Deposit Ratio, Recovery position, Gross NPA, Net Profit, Branch and Employee productivity.

Method of Study

Present study is based on secondary data. Data pertaining to the study have been obtained from Annual Reports of NABARD and Assam Gramin Vikash Bank for various years (from 2006 to 2013). The study incorporates different financial counts like Deposits, Outstanding Advances, Credit - Deposit Ratio, Investment Deposit Ratio, Recovery Rate, Gross NPA, Net Profit, Branch and Employee Productivity of both Regional Rural Banks and Assam Gramin Vikash Bank. The study used selected ratios and statistical tools like, Linear Growth Rate, Pearson Correlation and Ordinary Least Square trend equations.

Analysis and Interpretation

Table 1: Total Deposits of RRBs in India vis-à-vis AGVB

		₹ in crore)	Proportion of AGVB to total deposits of RRBs in India
2006	71329.83	1710.73	2.40
2007	83143.55	1964.71	2.36
2008	99093.46	2366.91	2.39
2009	120189.90	2881.52	2.40
2010	145034.95	3462.34	2.39
2011	166232.34	4376.38	2.63
2012	186336.37	4883.17	2.62
2013	211488.80	5531.28	2.62

Note: Based on data obtained from Annual Reports of NABARD and Assam Gramin Vikash Bank (Various Issues)

Deposits play a key role, as a source of fund for the banks. Deposit mobilization is the important instrument for promotion of savings habit among the rural people (Hosmani, 2002). Table 1 indicates the deposits of Regional Rural Banks in India and Assam Gramin Vikash Bank from 2006 to 2013. The total deposits of RRBs in India have rose from ₹ 71329.83 crore in 2006 to ₹ 211488.80 crore in 2013. Similarly, total deposits of AGVB has jumped to

₹ 5531.28 crore in 2013 against ₹ 1710.73 crore of 2006. Further, relative share of total deposits of AGVB to total deposits of RRBs in India have been increased marginally from 2.40 percent in 2006 to 2.62 percent in 2013. Increase in market share of AGVB to total deposits of RRBs may be due to increase in number of branches, attractive deposit schemes of the bank and substantial changes in the savings habit of the people of rural areas.

Table 2: Estimated Linear Equation and Growth Rate of Total Deposits of RRBs in India and AGVB

Dependent Variable	Estimated Linear Regression Equation	Linear Growth Rate	r
1) Total deposit of RRBs in India	$y = - 41091416.19 + 20515.935t$	17.27	.996* (.000)
2) Total deposit of AGVB	$y = - 1143581.931 + 570.778t$	19.26	.990* (.000)

***Note: Correlation is significant at 5 percent (2 tailed)**
Source: Based on Table no 1

In order to show relationship between the dependent variable (Total Deposits) and independent variable (Year), least square trend equations have been fitted for total deposits of RRBs in India and Assam Gramin Vikash Bank. The regression coefficients of deposits of RRBs in India and Assam Gramin Vikash Bank are positive which imply that deposits have been growing with the passage of time. The value of slope of deposits of RRBs in India is the much higher than AGVB. It is also observed that regression line of deposits of RRBs is much near to each respective actual value as compared to AGVB. Further, linear growth rate in respect to deposits of AGVB is higher than RRBs in India. The values of Correlation Coefficient (r) of total deposits of RRBs in India and AGVB are quite high. Therefore, it can be noted that there is statistically significant positive linear correlation between growth of dependent and independent variable at 5 percent level.

Advance is the crucial component of the business plan of the bank. In accordance with the main objectives of RRBs is to provide need based credit among the rural community like marginal farmers, agricultural laoburers, rural artisans and small entrepreneurs. Over the years RRBs have tried to reach the door of each neglected sections of the society. Table 3 depicts outstanding advances of RRBs in India and AGVB from 2006 to 2013. RRBs in India have deployed ₹ 39712.57 crore in 2006 which has increased to ₹ 139837.00 crore in 2013.

Table 3: Advances of RRBs in India vis-à-vis AGVB

		₹ in crore)	Proportion of AGVB to total advances of RRBs in India
2006	39712.57	854.08	2.15

		₹ in crore)	Proportion of AGVB to total advances of RRBs in India
2006	39712.57	854.08	2.15
2007	48492.59	1047.66	2.16
2008	58984.27	1224.15	2.08
2009	67802.10	1399.06	2.06
2010	82819.10	1618.23	1.95
2011	98917.43	2072.83	2.10
2012	116384.97	2601.56	2.24
2013	139837.00	3113.53	2.23

Note: Based on data obtained from Annual Reports of NABARD and Assam Gramin Vikash Bank (Various Issues)

Similarly, outstanding advances of AGVB have rose to ₹ 3113.53 crore against ₹ 854.08 crore of 2006. The relative share of AGVB to total outstanding advances of RRBs in India has declined from 2.15 percent in 2006 to 1.95 percent in 2010 afterwards the same has increased to 2.23 percent in 2013. The recent changes in relative share of AGVB to RRBs in India may be attributed due to aggressive lending approach of the bank, wide coverage of unbanked areas and increased awareness among the rural people.

Least square trend equations of outstanding advances show the relationship between the dependent variable (outstanding advances) and independent variable (Year) of RRBs in India and Assam Gramin Vikash Bank. The regression coefficients of outstanding advances of RRBs in India and Assam Gramin Vikash Bank are positive which imply that outstanding advances have been growing with the passage of time only. Moreover, the value of slope of RRBs in India is the much higher than AGVB. It is also observed that regression line of outstanding advances of RRBs is much near to each respective actual value as compared to AGVB.

Table 4: Estimated Linear Equation and Growth Rates of Outstanding Advances of RRBs in India and AGVB

Dependent Variable	Estimated Linear Regression Equation	Linear Growth Rate	R
1) Outstanding Advances of RRBs in India	$y = -28031032.427 + 13989.874t$	19.47	.986* (.000)
2) Outstanding Advances of AGVB	$y = -628640.198 + 313.701t$	20.02	.969* (.000)

*Note: Correlation is significant at 5 percent (2 tailed) Source: Based on Table no 3

Further, linear growth rate of outstanding advances is higher in AGVB as compared to RRBs in India. Correlation Coefficient (r) of outstanding advances of RRBs in India as well as AGVB is fairly high. Therefore, it may be inferred that there is statistically significant positive linear correlation between growth of dependent and independent variable at 5 percent level.

Table 5: CD Ratio and ID Ratio of RRBs in India vis-à-vis AGVB

Year (as on 31 st March)	CD Ratio (in %)		ID Ratio (in %)	
	RRBs in India	AGVB	RRBs in India	AGVB
2006	55.68	49.93	57.70	34.64
2007	58.32	53.32	54.92	29.99
2008	59.52	51.72	49.00	29.12
2009	56.41	48.55	54.84	27.96
2010	57.10	46.74	54.73	33.07
2011	59.51	47.36	52.04	30.23
2012	62.46	53.28	51.51	26.61
2013	64.82	56.29	51.33	24.16
Mean	59.23	50.90	53.26	29.47

Note: Based on data obtained from Annual Reports of NABARD and Assam Gramin Vikash Bank (Various Issues)

Table 5 depicts Credit-Deposit Ratio (CDR) and Investment Deposit Ratio (IDR) of RRBs in India and AGVB from the year 2006 to 2013. Credit-Deposit ratio is proportion of loan created by banks from deposits it receives. In other words, it signifies the capacity of banks to lend. Higher the CD ratio more will be credit generation out of deposit (Verma et al, 2013). In the year 2006 CDR of RRBs in India was 55.68 percent which has increased to 64.82 percent in 2013. At the same time CDR of Assam Gramin Vikash Bank has increased from 49.93 percent in 2006 to 56.29 percent in 2013. It is observed that mean CDR of RRBs in India and AGVB was 59.23 percent and 50.90 percent respectively. The increasing trend of CDR implied that the growth of outstanding advances of the banks was greater than the growth of its deposits. Similarly, IDR of RRBs in India has been declined from 57.70 percent in 2006 to 51.33 percent in 2013. IDR of AGVB has also shown declining trend from 34.64 percent in 2006 to 24.16 percent in 2013. The comparative analysis of IDR has witnessed that it is better in case of AGVB.

Table 6: Recovery Rate of RRBs in India vis-à-vis AGVB

Year (as on 31 st March)	RRBs in India (in %)	AGVB (in %)
2006	79.85	72.20
2007	79.80	71.72
2008	80.84	62.71
2009	77.85	70.43
2010	80.09	70.08
2011	81.18	70.44
2012	81.60	70.08
2013	82.57	73.15

Note: Based on data obtained from Annual Reports of NABARD and Assam Gramin Vikash Bank (Various Issues)

Repayment received from the borrowers against demand is treated as recovery. Higher recovery rate indicate better profitability for bank. the importance of timely recovery for maintaining an unrestricted flow of fund cannot be over-emphasized as recycling of fund is adversely affect by mounting overdues. Table 6 depicts the recovery position of RRBs in India vis-à-vis AGVB during the study period. The recovery rate of RRBs in India has increased from 79.85 percent in 2006 to 81.60 percent in 2013. Similarly, the same of AGVB has increased to 73.15 percent against 72.20 percent of 2006.

Table 7: Estimated Linear Equation and Growth Rate of Recovery of RRBs in India and AGVB

Dependent Variable	Estimated Linear Regression Equation	Linear Growth Rate	R	R ²
1) Recovery Rate of RRBs in India	$y = - 668.305 + 0.373t$	0.46	.642** (.086)	0.411
2) Recovery Rate of AGVB	$y = - 1143582 + 570.77t$	0.38	.195** (.644)	0.980

****Note: Correlation is not significant**

Source: Based on Table no 6

The regression coefficients of recovery rate of RRBs in India and Assam Gramin Vikash Bank are positive which imply that recovery of loan have been growing with time factor

only. Further, the value of slope of AGVB is the much higher than RRBs in India. The regression line indicates that of recovery rate of both RRBs in India and AGVB are different from each respective actual value. Moreover, linear growth rate shows that there is marginal improvement in recovery rate of both RRBs and AGVB during the period under consideration. The value of Correlation Coefficient (r) of recovery rate of RRBs in India implies that there is limited correlation between recovery rate and independent variable where; degree of correlation is very low in case of AGVB. The values of coefficient of determination imply that more than 41 percent variation in recovery rate of RRBs in India and 98 percent variation of AGVB can be explained with the help of time.

Non-performing assets (NPAs) refer to the credit facility in respect of which the interest or installment of principle has remained overdue for a period exceeding 180 days. Thus, an asset becomes non-performing, when it ceases to generate income for the bank. Table 7 shows Gross NPA of RRBs in India and AGVB from 2006 to 2013. The gross NPA of RRBs was ₹ 2890.47 crore in 2006 which rose to ₹ 7906.95 crore in 2013. Similarly, gross NPA of AGVB has also been jumped to ₹ 155.27 crore in 2013 against ₹ 93.28 crore of 2006. Further, it is observed that relative share of AGVB to gross NPA of RRBs in India has been declined substantially from 3.23 percent in 2006 to 1.96 percent in 2013. Thus, it may be noted that AGVB has set a positive trend by maintaining better loan recovery mechanism in the state.

Table 8: Gross NPA of RRBs in India vis-à-vis AGVB

		₹ in crore)	Proportion of AGVB to total NPA of RRBs in India
2006	2890.47	93.28	3.23
2007	3178.01	97.07	3.05
2008	3566.34	113.80	3.19
2009	2809.71	114.05	4.06
2010	3084.82	102.30	3.32
2011	3711.96	110.83	2.99
2012	5859.12	117.92	2.01
2013	7906.95	155.27	1.96

Note: Based on data obtained from Annual Reports of NABARD and Assam Gramin Vikash Bank (Various Issues)

The regression coefficients of gross NPA of RRBs in India and Assam Gramin Vikash Bank

are positive which imply that gross NPA have been growing with time factor only. Further, the value of slope of RRBs in India is the much higher as compared to AGVB. The regression line of gross NPA of both RRBs in India and AGVB are different from each actual value.

Linear growth rate of RRBs in India is much higher than AGVB during the period under consideration. Thus, growth of gross NPA of RRBs is much higher as compared to Assam Gramin Vikash Bank. It may be opined that over the years, a higher proportion of assets of RRBs in India is unable to generate income out of it.

Table 9: Estimated Linear Equation and Growth Rates of Gross NPA of RRBs in India and AGVB

Dependent Variable	Estimated Linear Regression Equation	Linear Growth Rate	R	R ²
1) Gross NPA of RRBs in India	$y = -1173653.510 + 586.106t$	13.07	.792* (.019)	0.626
2) Gross NPA of AGVB	$y = -12267.369 + 6.161t$	5.32	.787* (.020)	0.619

***Note: Correlation is significant at 5 percent (2 tailed)**
Source: Based on Table no 8

The value of Correlation Coefficient (r) of gross NPA of RRBs in India and AGVB indicates that there is high degree of correlation between gross NPA and independent variable. It is observed that value of regression coefficient of gross NPA RRBs in India is much higher as compared to AGVB. The values of coefficient of determination imply that more than 62 percent variation in gross NPA of RRBs in India and 61 percent variation of AGVB can be explained with the help of time only.

Table 10: Net Profit of RRBs in India vis-à-vis AGVB

		₹ in crore)	Proportion of AGVB to total Net Profit of RRBs in India
2006	807.80	10.48	1.30
2007	789.35	2.00	0.25
2008	1082.57	19.24	1.78
2009	1371.42	11.88	0.87
2010	1889.58	24.88	1.32
2011	1785.87	35.37	1.98

2012	1886.15	54.01	2.86
2013	2384.59	74.38	3.12

Note: Based on data obtained from Annual Reports of NABARD and Assam Gramin Vikash Bank (Various Issues)

The financial health of any financial institution is based on the soundness of profit earning capacity. Higher the degree of profit earning capacity indicates better viability of the institution. Table 10 shows net profit of RRBs in India vis-à-vis AGVB from 2006 to 2013. Net profit of RRBs in India has increased from ₹ 807.80 crore in 2006 to ₹ 2384.59 crore in 2013. Similarly, net profit of AGVB has increased to ₹ 74.38 crore in 2013 against ₹ 10.48 crore of 2006. Again, relative share of net profit of AGVB to RRBs in India have been increased to 3.12 percent in 2013 against 1.30 percent of 2006. The value of regression coefficients of net profit of RRBs in India and Assam Gramin Vikash Bank are positive which implies that it has been growing with the passages of time. The value of slope of RRBs in India is the much higher as compared to AGVB. Further, regression line of net profit of RRBs in India and AGVB are by and large similar to actual value. Moreover, net profit of AGVB has recorded much higher linear growth rate of RRBs in India as compared to AGVB during the period under consideration. Therefore, it may be noted that earning capacity of AGVB is far better than national level.

Table 11: Estimated Linear Equation and Growth Rates of Net Profit of RRBs in India and AGVB

Dependent Variable	Estimated Linear Regression Equation	Linear Growth Rate	r	R ²
1) Net Profit of RRBs in India	$y = -456608.680 + 227.971t$	17.79	.966* (.000)	0.932
2) Net Profit of AGVB	$y = -18361.244 + 9.152t$	47.71	.915* (.001)	0.837

***Note: Correlation is significant at 5 percent (2 tailed)
Source: Based on Table no 9**

The value of Correlation Coefficient (r) of net profit of RRBs in India and AGVB indicates that there is high degree of positive linear correlation between net profit and independent variable. The values of coefficient of determination imply that more than 93 percent variation in net profit of RRBs in India and 83 percent variation of AGVB can be explained with the help of time only.

Table 12 shows branch and employee productivity of RRBs in India and AGVB from 2006 to 2013. Branch productivity of RRBs in India was ₹ 7.66 crore in 2006 which increased to ₹ 19.67 crore in 2013. Similarly, branch productivity of Assam Gramin Vikash Bank has increased from ₹ 7.25 crore in 2006 to ₹ 23.11 crore in 2013.

Table 12: Branch and Employee Productivity of RRBs in India vis-à-vis AGVB

	₹(in crore)			
	RRBs in India	AGVB	RRBs in India	AGVB
2006	7.66	7.25	1.62	1.45
2007	9.07	8.49	1.93	1.71
2008	10.71	10.12	2.32	2.07
2009	12.38	12.06	2.74	2.49
2010	14.72	14.27	3.30	2.99
2011	16.57	17.82	3.78	3.72
2012	17.90	20.28	4.07	4.28
2013	19.67	23.11	4.62	4.59

Note: Based on data obtained from Annual Reports of NABARD and Assam Gramin Vikash Bank (Various Issues)

Further, employee productivity of RRBs in India has rose to ₹ 4.62 crore in 2013 against ₹ 1.62 crore of 2006. Employee productivity of AGVB has jumped from ₹ 1.45 crore in 2006 to ₹ 4.59 crore in 2013.

Table 13: Estimated Linear Equation and Growth Rates of Branch and Employee Productivity of RRBs in India and AGVB

Dependent Variable	Estimated Linear Regression Equation	Linear Growth Rate	r	R ²
1) Branch Productivity of RRBs in India	$y = -3530.312 + 1.764t$	14.65	.998* (.000)	0.996
2) Branch Productivity of AGVB	$y = -4657.434 + 2.325t$	18.61	.990* (.000)	0.980
3) Employee Productivity of RRBs in India	$y = -873.477 + 0.436t$	16.35	.998* (.000)	0.995
4) Employee Productivity of AGVB	$y = -960.691 + 0.480t$	18.98	.992* (.000)	0.983

***Note: Correlation is significant at 5 percent (2 tailed)**
Source: Based on Table no 12

Table 13 depicts least square linear equation and growth rates of branch and employee productivity of RRBs in India and AGVB from 2006 to 2013. The value of regression coefficients of branch and productivity of RRBs in India and Assam Gramin Vikash Bank are positive and it is marginally higher in case of AGVB. Further, regression lines of both branch and employee productivity of RRBs in India and AGVB are near to its respective actual value. Moreover, linear growth rate of branch and employee productivity of AGVB is higher as compared to its counter parts. The value of Correlation Coefficient (r) of branch and employee productivity of RRBs in India and AGVB indicates that there is high degree of positive linear correlation between respective productivity and time. Furthermore, values of coefficient of determination imply that more than 99 percent and 98 percent variation in branch productivity of RRBs in India can be explained with the time. Again, more than 99 percent and 98 percent variation of employee productivity of RRBs in India and AGVB can be explained with the help of time only.

Conclusion

Based on the analysis carried, it is clear that the growth of Assam Gramin Vikash Bank is satisfactory as compared to national level. AGVB has been offering its service mainly in rural Assam with wide network of all CBS branches. Higher growth rate of deposits of AGVB inferred that the bank has been able to mobilize ideal money and promote saving habit among the rural people of the state. Moreover, it can also be noted that fair growth of advances of AGVB indicates that the bank has been able to met credit needs of the rural people. However, recovery performance of RRBs in India is better than AGVB. Further, growth of both net profit and productivity of AGVB have shown better results during the study period. Despite the progress mentioned above, it cannot be ignore the problems and shortcomings of these banks. Merely pumping money from the rural areas does not ensure upliftment of the quality life of the people more particularly the weaker sections. However, in the edge of drift competition, performance of banks would have to be judge not by number of branches opened in rural areas rather by involvement and participation of both bankers and customers. Therefore, analysis of the reasons for growth and problems associate with Assam Gramin Vikash Bank is a vital issue for future research.

References

- Assam Gramin Vikash Bank. Annual Report, 2006-2013. Guwahati, Assam: Assam Gramin Vikash Bank.
- Balamohandas, V., Rao, J.V.P., & Rao, P.H. (1991): Rural Banks and Rural Credit (1st ed.). New Delhi: Discovery Publishing House.
- Bhaduri, S., (2009): Regional Rural Banks (RRBs): Catalyst of Rural Development, New Delhi: Serial Publication, pp. 130-152.
- Hosamani, S. B. (2002): Performance of Regional Rural Banks (1st ed.). New Delhi: Anmol Publications Pvt. Ltd, pp.1-87.

- Ishwara, P. (2011): A Financial Performance Analysis of RRBs: Pre and Post Transformation, International Journal of Economic Research, Vol. 2, No 2, pp. 142-151.
- Jagannath, B, Kukkudi, B. & Santosh, B. (2008): Rural Banking Problems and Prospects of Grameen Banks, New Delhi: Mahamaya Publishing House, pp. 199-210.
- Kumar, S., (1986): Regional Rural Banks: An Evaluation of Performance, New Delhi: Deep and Deep Publication, pp. 184-188.
- Misra, R. & Rao, G. (2006): Rural banks under Globalisation (1st ed.). New Delhi: Sonali Publication, pp. 4-199.
- Key Statistics of RRBs in India 2006-2013. Mumbai: NABARD
- Patel, K. V. & Khankhoje, D.P. (1991): Liberalization and Rural Development in India: Role of Banking Sector in the Changing Environment, Prajnan, Vol. XX, No. 4, pp 379-397.
- Rathore, S. S. (2004): Rural Banking in India with Special Reference to Andhra Gramin Bank. (1st ed.). Lacknow: New Royal Book Company, pp 3-127.
- Rao, H. P. (1980): Regional Rural Bank- Problems and Prospects, Indian Journal of Commerce, Vol. XXXIII, No. 124, pp 58-64.
- Sonara, C. K. (1998): Regional Rural Banks in India (1st ed.). New Delhi: Anmol Publications Pvt. Ltd, pp. 4-210.
- Verma, S. G. & Jindal, P. (2013): Profitability of Commercial Banks after the Reforms: A Study of Selected Banks, International Journal of Research in Finance & Marketing, Vol. 3, No. 2, pp. 20-29.

CONSUMERS' PERCEPTION, ATTITUDE, INTENTION AND BEHAVIOR TOWARDS MOBILE ADVERTISEMENT

Dr. Pankaj Jain
S. S. Bhal

Abstract

This study has been undertaken with the broad purpose of analyzing consumers' perception, attitude, intention and behavior towards mobile advertisements. T-sang (2004) model was used as the framework for the research. The study is descriptive and quantitative in nature. A survey was conducted with the help of standardize questionnaire which was administered with the help of field force in Jaipur city. A total of 422 responses were collected and 400 responses were found fit for the data analysis. Data was analyzed with the help of PASW. 18 software. The study found that consumers have overall negative attitude towards mobile advertisement as they perceive it less entertaining and more irritating. It was also found that, with respect to mobile advertisements, perception; attitude; intentions and behavior of male and female consumers are different.

1. Introduction

The high penetration rate of mobile phones has resulted in the increasing use of mobiles to deliver advertisements for products and services which further influence consumer buying behavior of telecom services. A.T. Kearney surveys (2002) indicate that the use of mobile information services and SMS has increased exponentially. The popularity of text messaging (SMS) has led to the rise of the mobile advertising phenomenon (James, 2004). More than 100 billion SMS messages are sent across world in a single year. It is imperative for marketers to know what consumers think and how they react to SMS-based advertisements, particularly with regards to marketing of telecom service companies as they used it frequently. A better understanding of these issues is critical to understand consumer decision making for telecom services.

Dr. Pankaj Jain

Assistant Professor - Amity Business School
Amity University Rajasthan
Address: Amity House, 14, Gopal Bari, Ajmer Road,
Jaipur - 302 006, Rajasthan
Mob.: 8769073411
Email: pjain1@jpr.amity.edu; jainpankaj82@gmail.com

S. S. Bhal

Assistant Professor - Amity Business School
Amity University Rajasthan
Address: Amity House, 14, Gopal Bari, Ajmer Road,
Jaipur - 302 006, Rajasthan
Mob.: 9828289458
Email: ssbahl@jpr.amity.edu; ssbhal140@gmail.com

The ubiquity of the mobile phone extends the time and space aspect of the traditional mass media advertising (Muk, 2007). Nevertheless, as regards to mobile advertising, there are different options for marketers to implement promotion campaigns. For example, marketers can send MMS which allows them to deliver multimedia contents such as pictures, audio or even animations to targeted consumers. However, there is not much use of MMS as compared to SMS for promotion activities even though positive branding effects have been found with regards to MMS (Nysveen, 2005). This may be because SMS advertising is the most popular form of mobile advertising. As consumers prefer MMS messages to SMS messages, it can be expected that the usage of MMS messages for advertising purposes will expand with the increase in number of mobile phones supporting MMS messaging (Heinonen & Strandvik, 2007).

The continuous technological advancement and the need of grabbing attention of consumers have resulted in information bombarding as "advertising is everywhere" (Cook, 2001). This over exposure of promotional messages has somewhat made consumer immune to advertising and marketers are now striving hard for creative media and message strategy so as to ensure that their advertisement messages are noticed by their target market (Cappo, 2003). Scharl et al (2008) noted that there is general consensus among academics and practitioners regarding the importance of mobile advertising to reach selected targeted customers. Therefore this study is aimed at analyzing consumers' perception, attitude, intention and behavior towards mobile advertising using Tsang (2004) model in Indian Context. Tsang presented a framework (Exhibit 1) that shows the factors affecting attitudes and the relationship between attitudes, intention to receive mobile advertisements and user behavior. The specific objectives of this study are

- To analyze the perception and consumer attitude towards mobile advertisement
- To study consumer intention and behavior with respect to mobile advertisement
- To analyze if there exist gender differences for perception, attitude, intention and behavior towards mobile advertisement.

In regards of the objectives mentioned above, the study also test the following null hypotheses

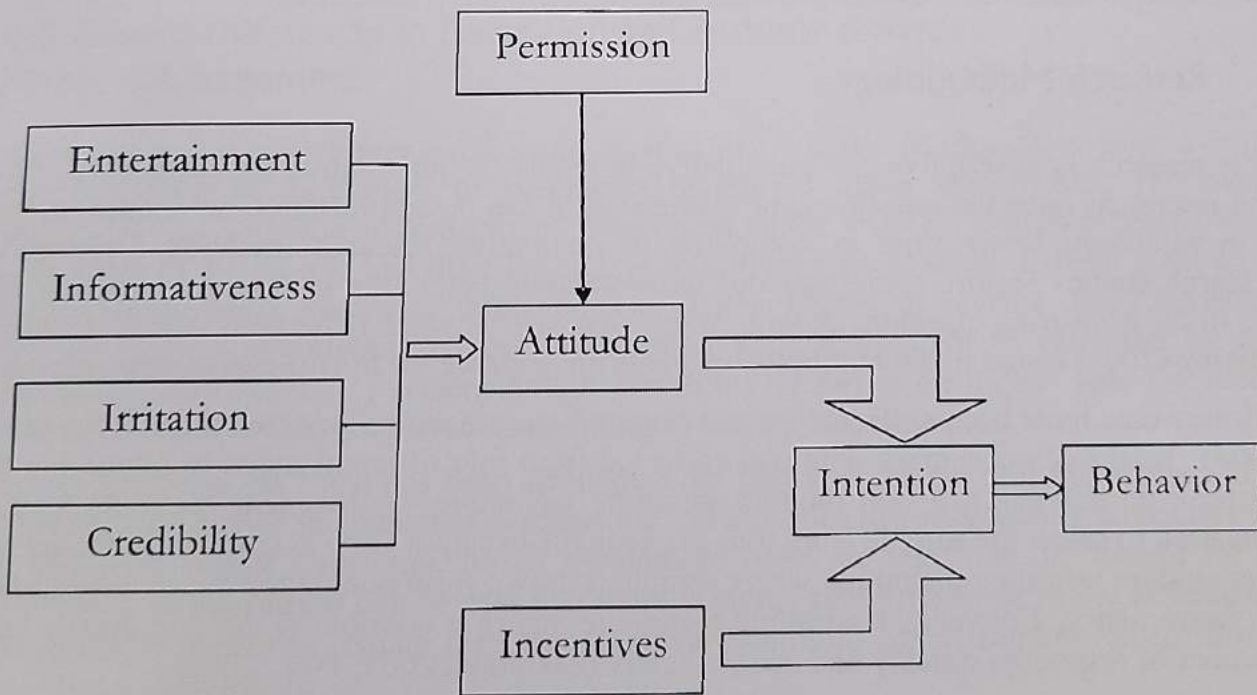
- H_{0a} : There is no significant difference in consumer perceptions towards mobile advertisement for male and female consumer.
- H_{0b} : There is no significant difference in consumer attitude towards mobile advertisement for male and female consumer
- H_{0c} : There is no significant difference in consumer intentions towards mobile advertisement for male and female consumer
- H_{0d} : There is no significant difference in consumer behavior towards mobile advertisement for male and female consumer

2. Literature Review

The theoretical construct, Consumers' Attitude towards Advertisement has been of interest for many research scholars since 1981 after the publication of two influential studies (Mitchell & Olson, 1981; Shimp, 1981). Thereafter many research studies focused consumers; attitudes toward advertising affecting attitude towards brand and buying

intentions (e.g., Gardner, 1985; MacKenzie, Lutz, & Belch 1986; MacKenzie, & Lutz, 1989). It has also been reported that attitude towards advertisement of particular brand is affected attitude towards advertising in general (Lutz, McKenzie, & Belch, 1983; Muehling, 1987; MacKenzie & Lutz, 1989; Mehta, 2000). Schlosser (1999) demonstrated that as opposed to advertising in general, internet advertising was considered informative, trustworthy and entertaining. It has also been observed that attitudes towards advertising are strongly dependent on the advertising channel as Schlosser (1999) found that attitudes toward advertising on the internet are more positive when compared to advertising in general. Zanot (1984) reported negative attitudes toward advertising due to the increasing amount of advertising and commercial clutter. Nevertheless, another study showed that consumers feel advertising is helpful in guiding purchase decisions (Shavitt et al., 1998). Barwise and Strong (2002) studied the attitudes toward mobile advertising in a permission marketing context. Mobile advertising was found more favorable to location sensitive consumers and for time critical events (Barwise and Strong 2002; Zoller et al. 2001). Also consumer attitude were found more positive towards mobile advertisement when linked with special incentives by telecom companies such as free mobile data (Hanley et al. 2006). The feasibility of using permission based and/or incentive based advertisement is an advantage for mobile as communication channel (Zoller et al. 2001).

Exhibit 1: Consumer attitude towards mobile marketing (Tsang, 2004)



This study uses Tsang framework (2004) which is based on earlier models developed for the study of consumer attitudes towards internet or web advertising and advertising in general (Brackett and Carr, 2001; Ducoffe, 1996; Mackenzie and Lutz, 1989). The model has been depicted in Exhibit 1. In the context of this study, entertainment is the ability to fulfill an audience's needs for escapism, diversion, aesthetic enjoyment, or emotional enjoyment as defined by McQuail (in Ducoffe, 1996); informativeness is the ability of advertising to inform consumers of product alternatives so that purchases yielding the greatest possible

satisfaction can be made as defined by Ducoffe (1996); irritation happens when advertising employs tactics that annoy, offend, insult, or are overly manipulative as defined by Ducoffe (1996) & credibility is the extent to which the consumer perceives claims made about the brand in the advertisement to be truthful and believable as defined by Mackenzie and Lutz (1989). This model has in various studies been used as the basis for hypothetical testing of the relationship in the mobile advertising (Bauer et al., 2005; Haghirian et al., 2005; Tsang et al., 2004). Consumer attitude was found positively associated with three variables i.e. entertainment, informativeness and credibility and negatively associated with irritation. Based upon the model, the following hypotheses were also tested

H1: Consumers' perceptions of the value of entertainment of SMS advertisements are positively correlated to consumers' overall attitudes towards SMS advertising

H2: Consumers' perceptions of the informativeness of SMS advertisements are positively correlated to consumers' overall attitudes towards SMS advertisements.

H3: Consumers' perceptions of the irritation of SMS advertisements are positively correlated to consumers' overall attitudes towards SMS advertisements.

H4: Consumers' perceptions of the credibility of SMS advertisements are positively correlated to consumers' overall attitudes towards SMS advertisements.

3. Research Methodology

This research is descriptive and quantitative in nature. A quantitative approach saves time and money as once the questionnaire is prepared, it can be administered on chosen sample with relatively lesser time as compared to qualitative research methods. Descriptive research studies require some previous understanding pertaining to research problem and are fit for answering questions of who, what, how, where, when (Zikmund, 2003). Collis & Hussey (2003) stated that quantitative methods are suitable for hypothesis testing purpose.

Primary data have been collected from a standard questionnaire (adopted from Tsang et al., 2004). Total 422 consumers' data was collected from four different malls in Jaipur. For the purpose of this study, a non random sampling technique - convenient sampling method was used to select the sample from four major malls in Jaipur City. Zikmund (2003) defined non random sampling technique where sample is drawn from population based on judgment or convenience. Convenient sampling technique makes it possible to get sufficiently large number of responses quickly and economically (Zikmund, 2003; Fink, 2009).

Fink (2009) also supported the use of convenient sampling method on the ground of availability of respondents when required. Though there are also limitations of convenient sampling methods as it may not give a true representative sample, bias and variability are hard to estimate or control (Zikmund, 2003). Still this sampling technique was used considering ease of access, paucity of time to interact with employees, higher response rate. A total of 422 individuals responded to the questionnaire designed for consumers out of which 400 questionnaires were considered fit for data analysis.

PASW.18 was used for the purpose of data analysis. Data was analyzed at univariate and

bivariate level. First of all data normality was ensured. For the purpose Histogram and Kolmogorov-Smirnov test was used to ensure that data normality (Zikmund, 2003). Percentage analysis was done for analyzing the profile of respondents. Further, descriptive statistics measures, mean and standard deviation were obtained for all items and constructs which were measured on likert scale. To test hypothesis, t-test (independent samples) was used.

4. Findings & Data Analysis

4.1 Descriptive Profile of Respondents

The demographic distribution of sample on four parameters age, occupation, gender and income is presented as follows: There were 55% male and 45% female in the selected sample. There were 5% respondents less than 18 years old, 25 % in the age group (18-23) years, 28% in the age group (24-28) years, 23% in the age group (29-45) years and 13% respondents were above 45 years. As for occupation, 20% were government employees, 28% were working in private organizations, 20% were self employed/businessman, 18% were students and 15% were homemakers. 30% of respondents have income less than Rs. 1.5 lakh, 20% between 1.5 lakh to 3 lakh, 30% between 3 lakh to 5 lakh and 20% above 5 lakh. The sample was found adequately consistent with the people living in Jaipur who would be of interest for the marketers of telecom companies.

4.2 Gender Differences in Perception and Attitude towards Mobile Advertisement

Major dimensions were measured using 5 point likert scale. Respondents were asked to show the level of agreement to statements measuring major dimensions. The overall "attitude towards mobile advertisement" was found on the negative side as reflected by the mean score (2.69) as it is less than 3 which is neutral on 5 point scale. Exhibit 2 shows the descriptive statistics on major dimensions of Tsang Model. It reveals that respondents perceive mobile advertising as less entertaining and informative as reflected by their respective mean scores. Further, though credibility (3.84) is on higher side for mobile advertising yet it is also perceived as irritating (3.69) by respondents.

Independent samples t-test has been applied to the first and second null hypotheses of no significant difference in consumer perceptions and attitudes towards mobile advertisement for male and female consumer. As all p-values of t-test are less than .05 except for the informative dimension, it can be said that there is significant difference in the attitude and perception of male and female respondents towards mobile advertisement except for the informative dimension.

Exhibit 2: Gender Differences in Perception and Attitudes towards Mobile Advertisement

Variables	Total		Male		Female		t-test Sig. P<
	Mean	SD	Mean	SD	Mean	SD	
Attitude Towards Mobile Advertisements	2.69	.30	2.67	.30	2.73	.31	.03.

Entertainment	2.24	.37	2.20	.33	2.28	.40	.02
Informative	2.37	.34	2.36	.31	2.39	.38	.423
Irritating	3.39	.29	3.35	.28	3.43	.20	.01
Credibility	3.38	.28	3.35	.27	3.41	.30	.02

4.3 Gender Differences in Intention and Behavior towards Mobile Advertisement

For analyzing intention and behavior regarding mobile advertisements, respondents were asked how many mobile advertisements they want to receive per day. The observations are shown in Exhibit 3. As regards Behavior towards mobile advertisement, respondents were asked “what they do when they receive a mobile advertisement” and “how much do they read the mobile advertisement when they receive it from their telecom service providers”. Observations are shown in Exhibit 4 and Exhibit 5 respectively.

Exhibit 3 indicates that majority of respondents (60.55%) want to receive at most two messages per day. Chi square test has been applied to test if intention to receive number of messages differs significantly for male and female respondents. The result (p-value = .466) doesn't indicates any difference in male and female respondents for the intention to receive number of SMS per day.

Exhibit 3: Respondents' Intention to Receive Numbers of SMS per day

	Total		Male		Female		Ch-Square-test
	n	%	N	%	n	%	Sig. P<
= 2 Messages Per Day	242	60.5%	130	59.1%	112	60.5%	
3 – 5 Messages Per Day	116	29%	69	31.4%	47	26.1%	.466
More than 5 Messages Per Day	42	10.5%	21	9.5%	21	11.7%	

Exhibit 4 indicates that majority of respondents either “ignore messages completely” (27.0%) or “read messages after accumulating too many of them” (26.3%). Chi square test has been applied to test whether reading behavior differs for male and female for mobile advertisement. The p-value of chi square test is less than .05 indicating significant differences in the reading behavior of male and female respondents for mobile advertisement. More females (42.8) prefer to ignore messages completely than their male counterparts (14.1%) whereas more male prefers (37.3%) to read messages after accumulating too many of them than their female counterparts (12.8%).

**Exhibit 4: Respondents' Behavior towards Mobile Advertisement:
When they read messages?**

	Total		Male		Female		Ch-Square-test
	n	%	N	%	n	%	Sig. P<
Ignore It Completely	108	27.0%	31	14.1%	77	42.8%	
Read It Occasionally	70	17.5%	45	20.5%	25	13.9%	
Read It After Accumulating Too Many of Them	105	26.3%	82	37.3%	23	12.8%	.000
Read It When I Get Time	70	17.5%	34	15.5%	36	20.0%	
Read It Right Away	47	11.8%	28	12.7%	19	10.6%	

**Exhibit 5: Respondents' Behavior towards Mobile Advertisement:
How do they read messages?**

	Total		Male		Female		Ch-Square-test
	n	%	N	%	n	%	Sig. P<
Do Not Read It At All	108	27.0%	31	14.1%	77	42.8%	
Just Browse Through It	117	29.3%	73	33.2%	44	24.4%	.000
Read It Incomplete	127	31.8%	95	43.2%	32	17.8%	
Read It Full	48	12.0%	21	9.5%	27	15.0%	

Exhibit 5 indicates that very few respondents (12.0%) read full messages while many respondents (27.05) prefer not to read it at all; (29.3%) prefer to just browsing through it and rest (31.8%) prefer to read it incomplete. Chi square test has been applied to test whether reading behavior differs for male and female for mobile advertisement. The p-value of chi square test is less than .05 indicating significant differences in the reading behavior of male and female respondents for mobile advertisement.

4.4 Regression Analysis for Attitudes towards Mobile Advertisement

Standard multiple regression analysis were performed (Exhibit 6) between Entertainment, Informative, Irritating and Credibility as independent variables and "Attitude towards Mobile

Advertisements" as dependant variable (Tabachnick and Fidell, 2001). The analysis supported the Tsang Model (2004) as p value of F test has been found less than .05 with the significant coefficient of determination ($R^2 = .912$) showing the extent of variance in independent factor explained by dependent factors. It also reveals that all four independent factors significantly influence the dependent factor i.e. Attitude towards mobile advertisement as the significant value for t-test is less than 0.05 for all four factors where "entertainment" was found most influential for attitude towards mobile advertising with standardize beta coefficient (.539).

Exhibit 6: Regression Analysis for Attitudes towards Mobile Advertisement

<i>Dependent Variable: Attitude Towards Mobile Advertisement</i>	<i>Standardize Coefficients Beta</i>	<i>Significance</i>	<i>R</i>	<i>R Square</i>	<i>F</i>	<i>Sign Value</i>
<i>Independent Variables</i>						
Entertainment	.539	0.000	0.95	0.912	1027.43	.000
Informative	.221	0.001				
Irritating	-.089	0.038				
Credibility	.122	.000				

4.5 Limitations of the Study

The sample size was relatively small (n=400) and was selected with convenient (non-probability) sampling method which makes it difficult to generalize and apply the findings of this study. The study also not included other factors such as permission, location sensitivity of customers, nature of products or services which have potential to affect consumers' attitude towards mobile advertisement. This represents a further limitation of the study. The final limitation of the study is that the overall attitude construct was measured on one item. The scale may not be a very accurate measurement of consumers' overall attitudes towards SMS advertisements.

4.6 Conclusion

This study was done with broad purpose of analyzing perception, attitude, intention and behavior of consumers towards mobile advertisements. The study found that many consumers have negative attitude towards mobile advertisement as they perceive it less entertaining and more irritating. Hence consumer generally don't intend to get mobile advertisements and if received most of them ignore it or read it incomplete whenever they accumulate too many of them. The findings of the study provides insights to the marketers to be careful in using mobile advertisement for promoting their products and brands. Though through mobile advertisement, marketers can better reach to target customers but it may not really help to develop positive attitude towards the advertised brand or product. To harness the power of mobile advertisement marketers have to work on their message strategy for example creating humorous advertisements can help to gain the attention of readers (Barwise and Strong, 2002). Further it was also found that, with respect to mobile advertisements, perception; attitude; intentions and behavior of male and female consumers are different. Marketers should be careful while using mobile advertisements as it may

backfire if they keep on disturbing the consumers without seeking explicit permission regarding this.

References

- Barwise, P., & Strong, P. (2002). Permission based mobile advertising. *Journal of Interactive Marketing* , 16 (1), 14-24.
- Bauer, H. H., Barnes, S. J., Reinhardt, T., & Neumann, M. M. (2005). Driving consumer acceptance of mobile marketing: A theoretical framework and empirical study. *Journal of Electronic Commerce Research* , 6 (3), 181-192.
- Brackett, L. K., & Carr, B. N. (2001). Cyberspace Advertising vs. Other Media: Consumer vs. Mature Student Attitudes. *Journal of Advertising Research* , 41 (5), 23-33.
- Cappo, J. (2003). *The Future of Advertising: New Media, New Clients, New Consumers in Post Television Age* . New York: McGraw Hill.
- Collis, J., & Hussey, R. (2003). *Business Research: A Practical Guide for Undergraduate and Post Graduate Students*. Hampshire: Palgrave Macmillan.
- Cook, G. (2001). *The Discourse of Advertising* (2nd ed.). New York: Routledge.
- Ducoffe, R. (1996). Advertising value and advertising on the web. *Journal of Advertising Research* , 36 (5), 21-35.
- Fink, A., 2009. *How to conduct surveys. A step by step guide.*. California: Sage Publications.
- Gardner, M. P. (1985). Does Attitude Toward the Ad Affect Brand Attitude Under a Brand Evaluation Set? *Journal of Marketing Research* , 22 (2), 192-198.
- Haghirian, P., Madlberger, M., & Tanuskova, A. (2005). Increasing Advertising Value of Mobile Marketing- An Empirical Study of Antecedents. Hawaii International Conference on Systems Sciences. Hawaii.
- Hanley, M., Becker, M., & Martinsen, J. (2006). Factors influencing mobile advertising acceptance: Will incentives motivate college students to accept mobile advertisements? *International journal of mobile marketing* , 1-6.
- Heinonen, K., & Strandvik, T. (2007). Consumer responsiveness to mobile marketing. *International Journal of Mobile Communications* , 603-617.
- James, T. L., Griffiths, K., Smyrnios, K., & Wilson, B. (2004). Mobile marketing: the role of permission and attitude on purchase intentions. Retrieved June 11, 2009, from [www.smib.vuw.ac: http://smib.vuw.ac.nz:8081/WWW/ANZMAC2004/CDsite/papers/James1.pdf](http://www.smib.vuw.ac.nz:8081/WWW/ANZMAC2004/CDsite/papers/James1.pdf)

BIBLIOGRAPHY 1033 Keraney, A. T. (2002). Mobinet Index. Chicago: A.T. Keraney and Cambridge University.

Lutz, R. J., MacKenzie, S. B., & Belch, G. E. (1983). Attitude toward the ad as mediator of advertising effectiveness: determinants and consequences. *Advances in Consumer Research*, 10 (1), 532-539.

MacKenzie, B. S., & Lutz, R. J. (1989). An empirical examination of the structural antecedents of attitude toward the ad in an advertising pretesting context. *Journal of Marketing*, 53, 48-65.

MacKenzie, S. B., Lutz, R. J., & Belch, J. E. (1986). The role of attitude toward the Ad as a Mediator of Advertising Effectiveness: A Test for Competing Explanations. *Journal of Marketing Research*, 30 (2), 130-143.

Mehta, A. (2000). Advertising Attitudes and Advertising Effectiveness. *Journal of Advertising Research*, 40 (3), 67-72.

Mitchell, A. A., & Olson, J. C. (1981). Are product attribute beliefs the only mediator of advertising effects on brand attitude? *Journal of Marketing Research*, 18 (3), 318-332.

Muehling, D. D. (1987). An investigation of factors underlying attitude toward advertising in general. *Journal of Advertising*, 16 (1), 32-40.

Muk, A. (2007). Consumer's intentions to opt in to SMS advertising. *International Journal of Advertising*, 26 (2), 177-198.

Nysveen, H., Pedersen, P. E., & Thorbjornsen, H. (2005). Mobilizing the brand: The effects of mobile services on brand relationships and main channel use. *Journal of Service Research*, 7 (3), pp. 257-276.

Scharl, A., Dickinger, A., & Murphy, J. (2005). Diffusion and success factors of mobile marketing. *Electronic Commerce Research and Applications*, 4, 159-173.

Schlosser, A. E., Shavitt, S., & Kanfer, A. (1999). Survey of internet user's attitudes toward internet advertising. *Journal of Interactive Marketing*, 34-54.

Shavitt, S., Lowrey, P., & Haefner, J. (1998). Public attitudes towards advertising: more favorable than you might think. *Journal of Advertising Research*, 3-15.

Shimp, T. A. (1981). Attitudes towards the ads as a mediator of consumer brand choice. *Journal of Advertising*, 10 (2), 9-15.

Tsang, M., Ho, S., & Liang, T. (2004). Consumer attitude towards the advertising: an empirical study. *International Journal of Electronic Commerce*, 8 (3), 65-78.

Zanot, E. (1984). Public attitude towards the advertising: the American experience. *International Journal of Advertising*, 13, 3-15.

Zikmund, W. G., 2003. *Business Research Methods*. US: Thomson: South Western.

Zoller, E., Housen, V. L., & Matthews, J. (2001). *Wireless Internet Business Models: Global Perspective. Regional Focus*.

IMPACT OF TELEVISION COMMERCIALS ON THE PURCHASE DECISIONS OF CONSUMERS IN ANDHRA PRADESH

K. Venkateswara Raju
Dr. D. Prasanna Kumar

Abstract

The invention of Television has a strong effect on daily lives of all the people around the world. People began to view television as a means of spending their leisure time in a joyous and happy mood and it became the cheapest form of entertainment as they are able to view various events and happening across the world in front of their eyes. Marketers began to advertise their products in the time gaps between various programs and are able to create awareness about their products in the minds of customers in a cost effective way as it was having a very high reach across huge populations. In a cluttered environment marketers are being challenged on estimating the behavioral dimensions emanating from their advertisements i.e. advertising must create strong purchase dispositions. Understanding viewer responses can, to a certain extent, help marketers understand their target audience better and help create better commercials. The study is focused on the school/college going teenagers of Vijayawada to know the influence of TV advertising on their buying behavior and has implications for marketers and will be useful in gauging the opinions of consumers about Television commercials and their effectiveness in influencing his purchase decisions.

Key words

Television, Commercial, Advertisement, Decision, Media, Influence

Introduction

Television advertising is the best-selling and economical media ever invented. It has a potential advertising impact unmatched by any other media. The advantage of television over the other mediums is that it is perceived as a combination of audio and video features; it provides products with instant validity and prominence and offers the greatest possibility for creative advertising. Over a longer period of time, the TV set has become a permanent

K. Venkateswara Raju
Assistant Professor; Department of Management Studies,
Gokaraju Rangaraju Institute of Engineering & Technology
Nizampet Road, Bachupally, Kukatpally
Hyderabad- 500090 Telangana

Dr. D. Prasanna Kumar
Associate Professor, K L U Business School,
Guntur, Andhra Pradesh, India

fixture in all upper and middle class households, and it is not uncommon even in the poorer society of urban areas and rural households. Reactions to TV advertisements seem to be stronger than the reaction to print advertisements. The advertisers find it more effective to use television rather than print media to reach consumers, partly due to low literacy rate. TV advertising not only change emotions but give substantial message exerting a far reaching influence on the daily lives of people.

Although many studies have considered the effect of channel changing during commercials, surprisingly little research has explored the effects of pod position and pod length on message delivery. For example, channel changing often may occur at the start of advertising breaks, but some viewers may return to the original channel during the last few commercials if the advertising break is relatively long. The authors consider how an advertisement's pod position may affect exposure levels. The authors also explore how the length of advertising breaks could change exposure levels for commercials that appear in various pod positions. Finally, the current article discusses the timing of the advertising pods within television shows. Previous research on pod position effects emphasized advertising recall, not advertising exposure. Moreover, most studies of advertising recall and pod position did not examine the role of pod timing within shows. This practice may involve an implicit assumption that audience behavior is relatively constant across a program's 1-hour or half hour airing. However, television programs often have advertising breaks placed near the beginning and end of the show. When the popularity of consecutive shows on one network differs, viewer flux (i.e., "lead-in" or "lead-out") could moderate the effects of pod position on advertising exposure levels in these early and late commercial breaks. And the size of these lead-in and lead-out effects on the ratings of consecutive programs can be large. It follows that advertising breaks placed near show transitions sometimes may have corresponding positive or negative message-delivery trend tendencies along with advertising "tune-away" effects.

Advertisers through television can reach a whole spectrum of consumers. The children are exposed to an overwhelming amount of advertising. A young child in the age group of 13-19 constitutes teenager. Almost every child and teenager in India is a regular viewer of television. They spend most of their free time in front of television, watching programs and channels of their choice. They watch nearly 20,000 TV commercials a year. The majority of children believe television advertisements to be informative and most children respond to them favorably. They also exert a substantial influence on their parents' consumer decision making and spending. The greater TV exposure is associated with more requests for the advertised products. Parents in dual income families have more discretionary income and are busier and feeling guiltier and therefore are softer when it comes to teenager's requests (Sellers, 1989). Marketers, who take advantage of young people's power to influence family purchase, choose commercials or television programs that reach children or teenage youth together with their parents. The teenagers have become a strong influencing group and even have the ability to influence the purchase decisions in the family from cakes to cars.

India is a developing country and majority of the people are living in rural areas (Census, 2001). Rural consumers are fundamentally different from their urban counterparts socially, psychologically, physiologically and literally. The total size of rural market is 123000 crore, which includes 65,000 crore FMCG and 5,000 crore durables, 45,000 crore agri inputs and

8,000 crore two and four wheeler's market. The size of rural market is bigger than the urban for both FMCG and durables as it accounts 53 and 59 percent of the market share respectively. Hence, the buying behavior of rural consumers has become a hot-topic for discussion because rural India, in recent days, is enthusiastically consuming everything from shampoo to motor cycles. Having realized the varying effects of TV advertising not only on the purchasing pattern but also on the total lifestyle of teenagers, this paper is an endeavor to study the impact of TV advertisements on the buying behavior of the young consumers.

Today advertisement plays an important role in persuading customers to purchase products and services. On the other hand the expenses of advertisement in comparisons of other activities in most companies are very remarkable. In the present days every company wants to achieve the highest market share. For this purpose every company use different ways to attract customers of different segments of the market and the best way to become market leader. In this challenging environment a company should promote its products in such a way that more and more customers get interest in its products. In this research we will discuss the impact of the television advertisement on the children. To attract children toward the product it is necessary that the advertisement should contain such appeals that are according to their age, mind set and interest for specific product. When children see the advertisement according to their interest, they persuade their parents to purchase that product.

Television Advertising:

Despite the widespread popularity of the internet, the craze for television is yet to see a downtrend. In a scenario where television continues to enjoy a high patronage, reactions to television commercials may become even more critical due to the wide spread choice available in terms of the number of channels free to air. In an Asia specific study concurred that viewers shared an affinity with ads that were entertaining and advertising liking had a positive relationship with intention to purchase.

Effectiveness of television commercials can be seen from two perspectives. A positive perspective obviously means that the commercial has been liked by the viewers either because of its creativity or the style of presentation. A negative perspective means that the advertising has been able to generate high levels of attention despite strong negative reactions. Detailed knowledge of why people like or dislike a commercial can be useful in interpreting and acting upon the findings about effectiveness.

Many organizations take advertising testing very seriously. Since advertising is an expensive proposition, the manner in which it works and the results it produces become critical. In a quest to identify measures to predict or study the effectiveness of television advertising (commercials) researchers have been trying to build relevant and reliable measurement instruments that capture audience response to television advertising. If an ad is intended to create excitement, it might be relevant to know how it compares with other ads on this dimension. If a humorous or entertaining ad is not perceived appropriately, a warning sign can be raised. They further reiterate that the impact of an ad is usually a complex interaction of visuals and script. Measurements of audience perceptions can also provide insights into whether an ad will be liked or not and why like or dislike is precipitated. The interest in achieving positive immediate advertising response

stems from the findings that such a response is an important media to variable between ad exposure and the formation of an attitude toward the advertised offer tag. One of the important aspects about advertising is that it changes consumer attitudes, impacts their choice behaviour, changes brand beliefs and alters preferences. Exposure to commercials is also hypothesized to create brand attitudes that are further reinforced over time with the viewer purchasing the product or experiencing the situation. The VRP identified for use in this study in its original form just looks at viewer's affective reactions. In order to extend this further, the relation between attitudes towards the brand and viewer responses towards commercials was incorporated into the study.

Review of Literature

Television commercials occupy a major portion of viewing time on most television channels. Millions of rupees are invested to make commercials that will attract viewer attention. The way commercials are perceived can affect their effectiveness (Aaker & Bruzzone, 1981). Many researchers in the West have attempted to look at the impact of television commercials on audience/ viewers. (Schlinger (1979), Aaker & Bruzzone (1981), Wells (1964), Zinkhan (1989) etc. The objective of this study is to analyze viewer's affective responses to television commercials. Four different types of Television commercials categorized as rational, emotional, animation and celebrity appeals were selected. The VRP (Viewer Response Profile) developed by Schlinger(1979) was used to assess viewers responses. Understanding viewer responses can, to a certain extent, help marketers understand their target audience better and help create better.

Classifying Advertisements:

Four different types of television commercials were selected for the study. Given below is a description of each category and an explanation as to why it is used in commercials.

Emotional appeals:

Advertisers /marketers resort to the usage of emotion as part of their communication strategy. According to Stout & Rust (1993) television advertising has turned to emotional appeals to capture consumer's attention, encourage recall and positive effect, discourage zapping, and give a lift to the sales message.

Rational appeals:

The rational approach to communicating stems from the traditional work on consumer decision making where the consumer is making logical and rational decisions. Such appeals relate to the audience's self-interest by showing product benefits (Kotler and Armstrong, 1994). Some examples of a product being shown with a rational appeal are – product quality, economy, value or performance.

Rational appeals:

The use of celebrities in communicating to the target audience has been in vogue from a long time. They have been known to promote a wide variety of products and services. Today

celebrities and their images are found in print, radio and approximately 20 percent of all television commercials.

Animated character appeals:

Advertisers are not averse to using animated characters if they believe that there is a higher worth in their association.

Objectives of the study:

1. To study the impact of Television commercials on the consumer segment.
2. Impact of TV advertisements on the consumer buying segment.
3. To evaluate the role of TV advertisements in the common man's life.
4. To study factors affecting the consumer buying process with respect to TV ads.

Research Methodology

The present study is focused on the school/college going teenagers of Vijayawada to know the influence of TV advertising on their buying behavior. For this purpose, a multistage sampling method was adopted. The data for urban respondents was collected. The nearness was considered up to 20 kilometers from the district. While conducting the survey, due care was given to the respondents of different walks of life, i.e. different gender, area of residence, educational standards, economic backgrounds and age groups. It was decided to involve everyone in the age group of 0-15, 15-35 in the survey and was regular viewers of TV.

Survey and questionnaires method

Survey method is used for collecting data from CUSTOMERS at some Retail Stores. We requested all respondents to fill in the questionnaire, by self after explaining the various aspects mentioned in it. It contained both open and closed ended questions in a structured format very easy to understand on the first look. A convenient sample (non – probability sampling method) of 110 customers was collected for the current study in which respondent of the study was request to complete the questionnaire on voluntary basis. Frequencies and cross tabulation have been calculated for the responses of the respondents. Chi – Square test analysis was conducted on the data of part II in questionnaire.

Analysis and Interpretation

From the above table, we infer that 44% of the total respondents are male and 56% are female. On further classification according to age group, we find that of all the respondents 16% are 15-20 years old, 22% are of the age group 21-30, 22% of the age group 31-45, 21% are of the age group 46-55 and 19% are above 55 years. From the responses collected PRINT (25%), TV (41%) are the major media that are carrying the Advertisements to the consumers. Most of the respondents feel that advertisements are Funny (17%), Creative (23%) and Meaningful (20%).

Table: 1 - General Profile of The Respondents

SEX	MALE	FEMALE					
	48	62					
AGE	15-20	21-30	31-45	46-55	>55		
	18	24	24	23	21		
PREFERED MODE OF RECEIVING ADVERTISEMENT	PRINT	TV	RADIO	MOBILE	INTERNET	ALL	
	27	45	7	13	14	4	
TYPES OF ADS	FUNNY	CREATIVE	UNIQUE	INFORMATIVE	MEANINGFUL	SHORT AND CRISP	OFF BEAT
	19	25	11	7	22	3	2
	INOFFENSIVE	EMOTIONAL	CRAZY	SIMPLE	GENUINE	STRAIGHT FORWARD	
	1	4	7	4	2	3	

Table: 2 - Responses of The Respondents

	SA	A	NEUTRAL	DA	SDA
Are you interested in watching good ads?	42	41	22	3	2
Do You watch new Ads only?	44	47	12	6	1
Do you think some Ads are extremely annoying?	43	33	29	2	3
Do you Like offbeat ads?	38	31	34	4	3
Do you think Ads are Creative but sensible?	30	25	16	22	17
Do Ads have some message?	40	38	32	0	0
Are Advertisement believable?	33	20	15	25	17
Is the Ad's message relevant?	36	44	30	0	0
There are Benefits from the ads?	44	20	29	14	3
Do Ads have some effect on you?	36	44	30	0	0
Are Ads Visually appealing and engaging?	38	45	27	0	0
Is the Duration of the Ad OK?	17	20	21	25	27
Is the Ad able to Convey the intended message?	20	24	24	23	19
Did you felt convinced about the Ad and bought the product?	44	39	27	0	0
Are you comfortable to watch such ads in future?	18	29	42	12	9
Did the Ad change your opinion and prejudices on a Product or Service?	43	38	29	0	0

Note: SA=STRONGLY AGREE, A=AGREE, DA=DISAGREE and SDA=STRONGLY DISAGREE.

Test Statistics

	AGE	ADEFFECT
Chi-Square	1.182 ^a	2.691 ^b
df	4	2
Asymp. Sig.	.881	.260

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 22.0.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

From the above SPSS calculation we infer that there is a significant relation between AGE and EFFECT OF THE TV COMMERCIALS ON THE RESPONDENT.

Is There a Relation between CREATIVITY IN THE TV COMMERCIALS and IN ITS ABILITY IN MAKING IT VISUALLY APPEALING AND ENGAGING?

CREATIVITY * VISUALAPPEALING Crosstabulation

Count		VISUALAPPEALING			Total
		1	2	3	
CREATIVITY	1	11	13	6	30
	2	12	8	5	
	3	5	6	5	
	4	5	11	6	
	5	5	7	5	
Total		38	45	27	110

CHI-SQUARE:

CREATIVITY			
	Observed N	Expected N	Residual
1	30	22.0	8.0
2	25	22.0	3.0
3	16	22.0	-6.0
4	22	22.0	0
5	17	22.0	-5.0
Total	110		

VISUALAPPEALING			
	Observed N	Expected N	Residual
1	38	36.7	1.3
2	45	36.7	8.3
3	27	36.7	-9.7
Total	110		

Test Statistics

	CREATIVITY	VISUALAPPEALING
Chi-Square	6.091 ^a	4.491 ^a
df	4	2
Asymp. Sig.	.192	.106

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 22.0.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

From the above SPSS calculation we infer that there is a significant relation between CREATIVITY IN THE TV COMMERCIALS and IN ITS ABILITY IN MAKING IT VISUALLY APPEALING AND ENGAGING.

Is There a Relation between AGE and RESPONDENTS FEELING THE PRESENCE OF MESSAGE IN THE TV COMMERCIALS?

AGE * MESSAGEPRESENTINAD Crosstabulation

Count

		MESSAGEPRESENTINAD			Total
		1	2	3	
AGE	1	6	5	7	18
	2	9	9	6	24
	3	11	8	5	24
	4	7	10	6	23
	5	7	6	8	21
Total		40	38	32	110

CHI-SQUARE:

AGE

	Observed N	Expected N	Residual
1	18	22.0	-4.0
2	24	22.0	2.0
3	24	22.0	2.0
4	23	22.0	1.0
5	21	22.0	-1.0
Total	110		

MESSAGEPRESENTINAD

	Observed N	Expected N	Residual
1	40	36.7	3.3
2	38	36.7	1.3
3	32	36.7	-4.7
Total	110		

Test Statistics

	AGE	MESSAGEPR ESENTINAD
Chi-Square	1.182 ^a	.945 ^a
df	4	2
Asymp. Sig.	.881	.623

a. 0 cells (0%) have expected frequencies less than 5. The minimum expected cell frequency is 22.0.

b. 0 cells (0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

From the above SPSS calculation we infer that there is a significant relation between AGE and RESPONDENTS FEELING THE PRESENCE OF MESSAGE IN THE TV COMMERCIALS.

Is There a Relation between CREATIVITY IN THE TV COMMERCIALS and IN ITS ABILITY IN MAKING ITS MESSAGE RELEVANT?

CREATIVITY * MESSAGE RELEVANCY Crosstabulation

Count		MESSAGE RELEVANCY			Total
		1	2	3	
CREATIVITY	1	9	14	7	30
	2	10	9	6	
	3	5	5	6	
	4	7	10	5	
	5	5	6	6	
Total		36	44	30	110

CHI-SQUARE:

CREATIVITY

	Observed N	Expected N	Residual
1	30	22.0	8.0
2	25	22.0	3.0
3	16	22.0	-6.0
4	22	22.0	.0
5	17	22.0	-5.0
Total	110		

MESSAGE RELEVANCY

	Observed N	Expected N	Residual
1	36	36.7	-.7
2	44	36.7	7.3
3	30	36.7	-6.7
Total	110		

Test Statistics

	CREATIVITY	MESSAGERELEVANCY
Chi-Square	6.091 ^a	2.691 ^b
df	4	2
Asymp. Sig.	.192	.260

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 22.0.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

From the above SPSS calculation we infer that there is a significant relation between CREATIVITY IN THE AD and IN ITS ABILITY IN MAKING ITS MESSAGE RELEVANT.

Is There a Relation between GENDER OF THE RESPONDENT and THEIR ABILITY IN FEELING THE RELEVANCY OF THE MESSAGE IN THE TV COMMERCIALS?

GENDER * MESSAGERELEVANCY Crosstabulation

Count

		MESSAGERELEVANCY			Total
		1	2	3	
GENDER	1	15	17	16	48
	2	21	27	14	62
Total		36	44	30	110

CHI-SQUARE:

GENDER				MESSAGERELEVANCY			
	Observed N	Expected N	Residual		Observed N	Expected N	Residual
1	48	55.0	-7.0	1	36	36.7	-.7
2	62	55.0	7.0	2	44	36.7	7.3
Total	110			3	30	36.7	-6.7
				Total	110		

Test Statistics

	GENDER	MESSAGERE LEVANCY
Chi-Square	1.782 ^a	2.691 ^a
df	1	2
Asymp. Sig.	.182	.260

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 55.0.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

From the above SPSS calculation we infer that there is a significant relation between GENDER OF THE RESPONDENT and THEIR ABILITY IN FEELING THE RELEVANCY OF THE MESSAGE IN THE TV COMMERCIAL.

Is There a Relation between ABILITY OF THE TV COMMERCIALS IN CONVEYING THE INTENDED MESSAGE and ITS ABILITY TO CHANGE THE OPINION AND PREJUDICE OF THE RESPONDENT ABOUT A PRODUCT OR SERVICE?

INTENDEDMESSAGE * CHANGEDOPINION Crosstabulation

Count		CHANGEDOPINION			Total
		1	2	3	
INTENDEDMESSAGE	1	10	5	5	20
	2	9	9	6	24
	3	7	10	7	24
	4	9	9	5	23
	5	8	5	6	19
Total		43	38	29	110

CHI-SQUARE:

INTENDEDMESSAGE

	Observed N	Expected N	Residual
1	20	22.0	-2.0
2	24	22.0	2.0
3	24	22.0	2.0
4	23	22.0	1.0
5	19	22.0	-3.0
Total	110		

CHANGEDOPINION

	Observed N	Expected N	Residual
1	43	36.7	6.3
2	38	36.7	1.3
3	29	36.7	-7.7
Total	110		

Test Statistics

	INTENDED MESSAGE	CHANGED OPINION
Chi-Square	1.000 ^a	2.745 ^b
df	4	2
Asymp. Sig.	.910	.253

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 22.0.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

From the above SPSS calculation we infer that there is a significant relation between ABILITY OF THE TV COMMERCIALS IN CONVEYING THE INTENDED MESSAGE and ITS ABILITY TO CHANGE THE OPINION AND PREJUDICE OF THE RESPONDENT ABOUT A PRODUCT OR SERVICE.

Is There a Relation between AGE and ABILITY OF THE TV COMMERCIALS IN CONVINCING THE RESPONDENT TO BUY THE PRODUCT?

AGE * ADCONVINCEDTOBUYPRODUCT Crosstabulation

Count		ADCONVINCEDTOBUYPRODUCT			Total
		1	2	3	
AGE	1	7	5	6	18
	2	10	9	5	24
	3	8	10	6	24
	4	10	8	5	23
	5	9	7	5	21
Total		44	39	27	110

CHI-SQUARE:

AGE

	Observed N	Expected N	Residual
1	18	22.0	-4.0
2	24	22.0	2.0
3	24	22.0	2.0
4	23	22.0	1.0
5	21	22.0	-1.0
Total	110		

ADCONVINCEDTOBUYPRODUCT

	Observed N	Expected N	Residual
1	44	36.7	7.3
2	39	36.7	2.3
3	27	36.7	-9.7
Total	110		

Test Statistics

	AGE	ADCONVINCE EDTOBUYPR ODUCT
Chi-Square	1.182 ^a	4.164 ^b
df	4	2
Asymp. Sig.	.881	.125

a. 0 cells (0%) have expected frequencies less than 5. The minimum expected cell frequency is 22.0.

b. 0 cells (0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

From the above SPSS calculation we infer that there is a significant relation between AGE and ABILITY OF THE TV COMMERCIALS IN CONVINCING THE RESPONDENT TO BUY THE PRODUCT.

Findings

Based on the Analysis of the data Collected from the Questionnaires the findings can be consolidated as below.

1. The influence the advertisement is very little and undecided on the buying behavior of the consumer's only school going students will force their parents to buy the products which were advertised in TV.
2. The humor and celebrity advertisements are perceived most when compared to other advertisements.
3. The consumers somewhat likely buy the goods or services based on the advertisements
4. The consumers very often shift to new brands when they watch a new kind of advertisement
5. Consumers already have a plan before purchasing anything after when in real time the advertisement will not make that much difference in decision making
6. The age group between 0-15 will be influenced more when deciding a product after watching an advertisement to that nearer competing product and age group between 15-30 influenced very little while deciding a product of competing product.
7. As due to the age factor and the exposure to the world the age group 15-30 will urge to try a new brand when they watch an advertisement compared to the age group of 0-15.
8. The X-factor time influenced more while buying any product, and also the theme of the advertisements will also make a huge impact.
9. The age group between 0-15 will be influenced more when deciding a product after watching an advertisement to that nearer competing product and age group between 15-30 influenced very little while deciding a product of competing product.

Suggestions

With the clutter surrounding television advertising and the increasing costs associated with it marketers have begun to view their advertising investments very seriously. While no

organization can take the risk of totally dissociating with television advertising at least in the short run, there is a call for optimizing advertising expenditures. While meeting the desired communication objectives, advertising at the same time must be simple and a powerful way of reaching out to the target audience. The study was undertaken with the objective of understanding consumer reactions to select advertisements fewer than four categories (Rational, Emotional, Celebrity and Animated). The findings indicate that the scale was able to capture most of the viewer's reactions as can be seen from the Factor Analysis. Attitude to the brand was an important moderating variable in how viewers responded to the commercials. Although limited in its scope, the study was able to demonstrate the applicability of the VRP scale and give insights into viewer responses from an Indian television advertising perspective. Given the limitations of cost and time more respondents across spectrum could not be selected for the study. The study can also be replicated on a broader category of products / brands and comparisons across similar products from different organizations can be considered.

It can also be concluded that there is a considerable variation in the perception of both 0-15 and 15-30 on the issue that demand for product purchase is influenced by TV advertisements. Further, the study also revealed that the buying behavior of male teenagers is more influenced by television advertisements than their female counterparts.

References

1. Zain-Ul-Abideen (2011) Effective advertising and its influence on consumer buying behavior. *European Journal of Business and Management* Vol3, No.3.
2. Sorina-Raula, Gîrboveanu; Liviu, Crăciun; Georgeta-Mădălina, Meghişan ((2008) THE ROLE OF ADVERTISING IN THE PURCHASE DECISION PROCESS. *Annals of the University of Oradea, Economic Science Series*; 2008, Vol. 17 Issue 4, p895.
3. Yet-Mee Lim, Ching-Seng Yap and Teck-Chai Lau (2011) The Effectiveness of Online Advertising in Purchase Decision: Liking, Recall and Click. *Australian Journal of Basic and Applied Sciences*, 5(9): 1517-1524. ISSN 1991-8178.
4. Dr. S. Kamala Saravanan (2012) Factors Influencing through Television Advertisements on the Buying Decision of Rural People. *PARIPEX - INDIAN JOURNAL OF RESEARCH*; Volume : 1, Issue : 9; ISSN - 2250-1991.
5. V. Prabakaran; (2012) Impact of Advertisement on Consumer Buying Behavior *Journal of Marketing & Communication*; Sep-Dec 2012, Vol. 8 Issue 2, p12.
6. Singh, Sultan and Kaur, Jaiman Preet (2011), The Impact of Advertisements on Children and Their Parents' Buying Behavior: An Analytical Study. *The IUP Journal of Marketing Management*, Vol. X, No. 3, August 2011, pp. 18-41. Available at SSRN: <http://ssrn.com/abstract=2089373>.
7. Aggarwal-Gupta Meenakshi and Dang Vriya Jha (2009), "Examining Celebrity Expertise

- and Advertising Effectiveness in India", South Asian Journal of Management, Vol 16 No 2 pp 62-75.
8. Kotler, P., Marketing Management – Analysis, Planning, Implementation, and Control, Prentice Hall, ISBN 0-13-603432-2, Ontario.
9. Blackwell, R.; Miniard, P.W.; Engel, J.F. (2000), Consumer Behaviour, South-Western College Pub, ISBN 0030211085.
10. Arens, W.; Bovée, C. (2005), Contemporary Advertising, Mc-GrawHill Irwin, ISBN 0072964723, Burr Ridge.
11. Bijmolt, T. H. A., Claassen, W., & Brus, B. (1998). Children's Understanding of TV Advertising: Effect of Age, Gender, and Parental Influence. Journal of Consumer Policy, 21, 171-194.
12. Brassington, F., & Pettitt, S. (2001). Principles of Marketing, 3rd Edition, Pearson Education, Prentice Hall.
13. Dunn, S.W. and A., Barban. (1987). Advertising, It's Role in Modern Marketing Advertising, Its Role in Modern Marketing. Hinsdale, Illinois, U.S.A.: Dryden Press
14. Latif, Abdul and Abideen, Zain Ul. (2011). Effects of Television Advertising on Children: A Pakistani Perspective. European Journal of Economics, Finance and Administrative Sciences, Issue, 30, pp. 38-49.

STUDY ON DEVELOPING RISK RETURN MATRIX FOR EQUITY MUTUAL FUND SCHEME

Sanat Kumar Bhardwaj

1. Abstract

Mutual fund is conceptually and operationally unique Investment vehicle for pooling together Small investment into capital market. The Conception has been put into practice in India as early as in 1964 through Unit Trust of India a Public Sector unit through an 1963 act of Parliament. The growth of Mutual fund there after has been slow steady yet progressive. The subsequent to enter into the operation were other Public Sector Bank led by SBI, BOI, Canara Bank etc followed by Private Sector and Foreign financial institution. Today the Mutual Fund industry is an important pillar of Capital market with nearly 45 Domestic and Global Player in Business and is managing a astounding assets of Rs 8 Lac Crore under Management. Though it is in principle conceived to be investment vehicle for Small investor, yet contrary it has skewed proliferation among High Net worth Individual and Institutional Money. Amidst all the contradiction, Mutual Fund in India is still regarded as the most regulated Financial Sector and have largely been successful in nourishing habits of Saving for Risky Capital.

Mutual Fund has developed and employed a robust, technical and innovative practice of calculating Return, Asset valuation, Accounting and measurement of Risk. The Industry in association with a Advisory Body called AMFI (Association of Mutual fund in India) and regulator SEBI (Security Exchange Board of India) have been consistently engaged in improving the various Operational and accounting practices. The Investment interest and comfort of Investor being the most important criterion for compulsive and continued innovation in the Industry.

The Return on investment of Mutual fund are subject to Capital market uncertainty. This makes the Valuation and accounting of Asset , Calculation of Risk and Risk adjusted return too technical process that largely remains not understood by the Ordinary Investor.

The present Practice of calculating Risk Adjusted matrix has evolved over a period of time. It is technical and follows the return of scheme or asset class. In order to be Investor friendly an easier, simpler and more universal Risk return matrix is desired , The Study is intended to explore the possibility.

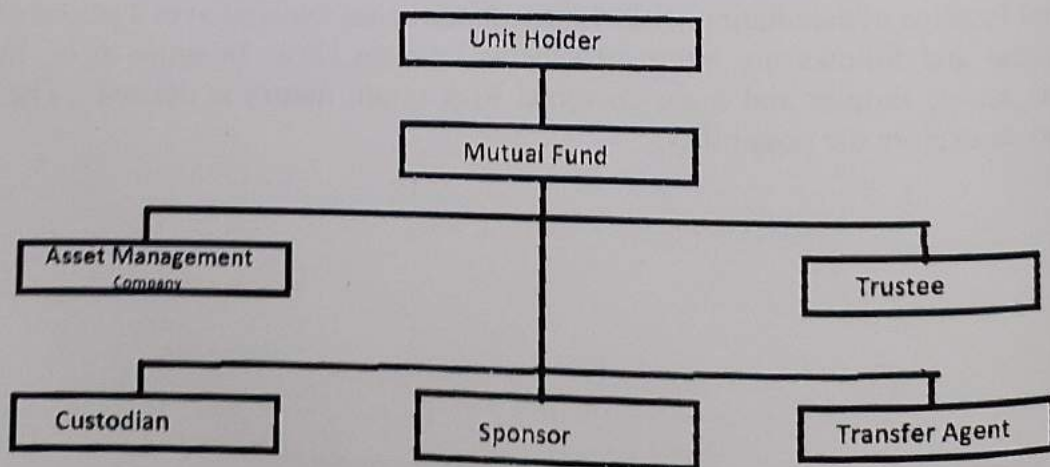
Sanat Kumar Bhardwaj

2. Introduction

2A) Snap Shot of Top 20 Mutual fund Name and AUM:--

D	E	F
Sr No	Scheme Name	AUM- In Crore
1	HDFC Mutual Fund	103046.3438
2	Reliance Mutual Fund	93249.3236
3	ICICI Prudential Mutual Fund	85174.3039
4	Birla Sun Life Mutual Fund	77256.2382
5	UTI Mutual Fund	70056.9538
6	SBI Mutual Fund	58705.8859
7	Franklin Templeton Mutual Fund	43688.1807
8	IDFC Mutual Fund	39535.4237
9	Kotak Mahindra Mutual Fund	34806.2583
10	DSP BlackRock Mutual Fund	30485.7419
11	Tata Mutual Fund	17965.7038
12	Deutsche Mutual Fund	17059.3228
13	L&T Mutual Fund	15078.8725
14	Sundaram Mutual Fund	13946.5452
15	JPMorgan Mutual Fund	13257.3768
16	Religare Invesco Mutual Fund	12484.881
17	Axis Mutual Fund	12170.7876
18	LIC NOMURA Mutual Fund	7975.6816
19	Canara Robeco Mutual Fund	7467.4283
20	HSBC Mutual Fund	6718.1932

2B) Introduction to Structure and Stakeholder in the Industry



3. Relevance and Objective of Study

The Present Risk return Matrix of a Scheme is largely explained by the Scheme performance over and above the benchmark it Tracks, This Practice is universally employed within the Fund Houses internal Performance Matrix and Independent Market agency like Crisil and Value Research.

Benchmark is decided by The Mutual Fund as part of Scheme offer document, Whose selection is guided by the Scheme Investment Objectivity.

- a) Thus, one way to measure performance is Comparison of Benchmark Performance and Scheme Performance. The return of these two are computed as basic variables.
- b) The another universal process to compute Performance is comparison between Scheme return with Risk free return for commensurate maturity.

In Indian Mutual Fund Industry the above mentioned these two methods are the accepted practice to account for Equity Mutual Fund Scheme Return.

The four technical parameter namely Standard Deviation, Beta, Alpha

Standard Deviation is a measure of the dispersion or variance of a set of data from its mean. SD is calculated as the square root of variance. In finance, standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility. This is also measurement of total risk.

Beta is a measure of Stock's volatility in relation to the market. It measure the market risk or Systematic Risk. Beta is a Key component for the capital asset pricing Model, Which is used to calculate the cost of Equity.

Alpha is considered to represent the value that Fund Manager add or subtract to the fund. It is measure of investment performance on a risk adjusted basis.

R-squared measures how closely the manager's returns match the returns of the market index against which it is compared. Derived from regression analysis, it essentially indicates alpha and beta's reliability in explaining the manager's return and risk. An R-squared of 90% indicates the manager correlates with the style or benchmark index by a factor 90% over time.

and R Square of a Scheme are employed as technical tool for comparing the risk adjusted Performance with respect to commensurate parameter of Benchmark or Risk free Return of matching maturity.

Hypothesis

- A) Investor do not relate to Benchmark based Return Assessment.
- B) Benchmark is not an accurate base of Risk assessment.
- C) Comparison with Risk free return is a anomaly as Associated risk and Risk premium for investment under Equity are understood and expected by the investor.

4. The Research Design

The Research design is Exploratory in nature, Which implies a Qualitative Research on small sample with intend to discover the insight on the Subject.
In order to test the feasibility of hypothesis, a Random Sample with focused survey shall be employed. Added to this would be the Secondary data source analysis, which would conclude the Research.

5. Literature review

- a) "Portfolio Selection – Efficient diversification of Investment" by Harry M Markowitz, Cowles Foundation University of Yule. Explains the relationship between security and Portfolio. The Study has concluded Portfolio diversification and Correlation between security of Portfolio is key to Risk Mitigation. It is a mean variance model affirming the Risk aversion preference of an investor.
- b) "Capital Asset price : A Theory of market equilibrium under condition of Risk by William F Sharpe explain the market risk premium determines the price of the asset. It has successfully explained the market equilibrium theory of asset price under condition of Risk.
- c) "The capital Asset Pricing Model Theory and Evidence by Eugene F Fama and Kenneth R French" explains Beta alone does not explain the Market price of a Security. It enforce the idea how average stock return vary with size of Stock and book to market equity ratio.
- d) "The Arbitrage Theory of capital Asset Pricing by Stephan A Ross"-- has introduced the alternate to Mean variance theory.
- e) "On persistence in Mutual Fund Performace by Mark M Carhart" explains addition of Momentum factor (the difference between the return on diversified Portfolio of Short term winner and Losers) to the three factor model by French and Fama.

6. Primary Data Sourcing, Sampling, Secondary Data

6A. Questionnaire

Group of 200 Investor across the population selected on random basis were asked three questions.

- a) Can they Recall the Benchmark of the Mutual Fund Equity Scheme they have invested?
- b) Which Benchmark is most visible and convenient to them for referring to the Equity market movement?
1) BSE 2) NSE 3) BSE -100 4) CNX Mid cap 5) None of these
- c) Do you accept the Investment in Equity Mutual fund is more Risky than Risk free asset class and that justify premium in return expectation.

The respond to sample survey has been unambiguously candid with incredible majority consenting to ...

- a) 96% of the Survey sample could not recall the benchmark of the Equity Scheme they have invested.
- b) BSE - 64% ,
 NSE - 22%
 CNX Mid cap- 8%
 None of these - 6%
- c) 96% were aware of Risk premium attached with Equity.

Another data sourced from AMFI tabled Top 15 equity Schemes with the AUM. Benchmark, no of Stock in Portfolio and Benchmark

Sr No	Fund Name	Corpus Aug 2013	Average No of Stock in Portfolio	Benchmark	Average No of Stock in Benchmark
1	HDFC Top 200 Fund (G)	9765.5	30-45	S & P CNX 500	500
2	HDFC Equity Fund - (G)	9110.79	30-45	BSE - 200	200
3	Franklin India Bluechip Fund - (G)	4614.97	30-45	BSE - 200	200
4	Reliance Equity Opportunities Fund (G)	4573.92	30-45	BSE-100	100
5	ICICI Pru Focused Bluechip Equity Fund (G)	4318.32	30-45	CNX Nifty	50
6	Reliance Growth Fund - (G)	3903.34	30-45	S&P BSE 100	100
7	ICICI Pru Dynamic Plan (G)	3377.81	30-45	CNX Nifty Index	50
8	UTI-Opportunities Fund (G)	3303.5	30-45	S&P BSE 100	100
9	Birla Sun Life Frontline Equity Fund - Plan A (G)	3178.16	30-45	BSE - 200	200
10	IDFC Premier Equity Fund - Plan A (G)	3064.02	30-45	S&P BSE 500	500
11	DSP BR Top 100 Equity Fund (G)	2849.45	30-45	S&P BSE 100	100
12	UTI-Dividend Yield Fund (G)	2818.5	30-45	S&P BSE 100	100
13	ICICI Pru Discovery Fund (G)	2490.48	30-45	CNX Midcap	100
14	HDFC Mid-Cap Opportunities Fund (G)	2456.68	30-45	CNX Midcap	100
15	UTI-Equity Fund (G)	2135.08	30-45	CNX 500	500

Findings of the Secondary Data.

- 1) The Scheme portfolio were neither identical nor similar to the benchmark Portfolio.
- 2) The Average number of Stock in Scheme Portfolio has insignificant resemblance to the Benchmark Portfolio both in terms of Composition and Weight.
- 3) Given the insignificant correlation, Scheme Portfolio can not be compared to the Benchmark Portfolio for any of Financial ratio calculation.
- 4) While the Benchmark Portfolio were available on continuous basis for all financial scrutiny, Scheme Portfolio were made available on Monthly basis. Hence variation in

- Scheme Portfolio on Day basis or intra Month basis are never captured for any financial assessment on Risk and risk adjusted return calculation.
- 5) All the Scheme Portfolio had maintained Cash/ Money Market Holding to meet the Liquidity requirement in agreement with the Separation theory on Capital Asset pricing Model, Which is again a confirm deviation from the Comparable benchmark Portfolio.
 - 6) Scheme Portfolio had two technical aberration in the form of Impact cost and Scheme Expense unfamiliar to a Benchmark Portfolio

A) Therefore comparison of Scheme return to Benchmark holds no merit. And all four technical parameter (Standard deviation Beta, R Square and Alpha) for comparison between Scheme and Benchmark are mere approximation and summarily inaccurate .

B) The existing practice of measuring Risk and Return on the basis of Benchmark or Risk free Rate (10 Year G Sec Yield) suffer for inaccurate base effect.

C) Extension of Capital Asset pricing Model as suggested by William F Sharpe consolidate the conclusion of Sample Survey C) for 3rd Hypothesis, where in an Investor confirms his understanding of Equity Mutual fund, Its risk and Risk Premium in response to the calculated risk.

And above finding proves the Hypothesis are true

7. The Research Analysis

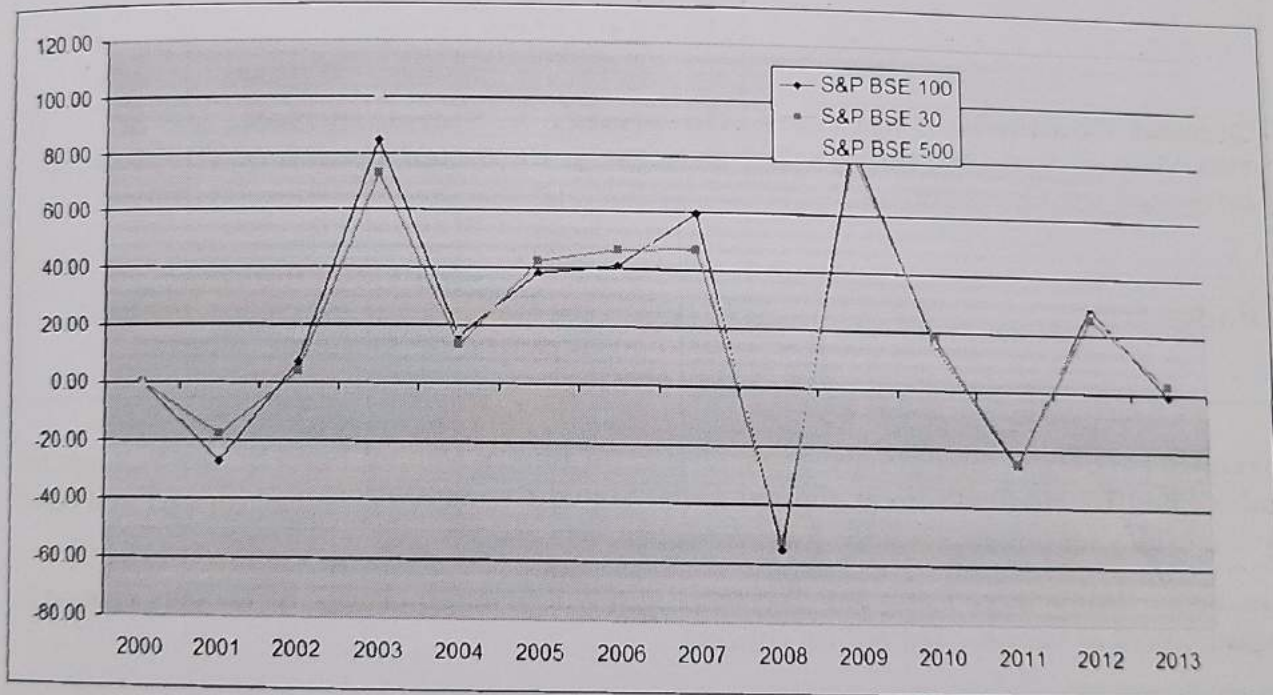
Selection of Benchmark for Scheme of Mutual fund have been found to be arbitrary and without any scientific calculation. It need to be replaced with a Universal benchmark Which Should explain the risk of investing in Equity Mutual Fund Schemes. It should measure the optimum, acceptable co-relation between the Scheme Performance and Market Volatility.

Data of BSE 30, BSE -100, BSE 500 since 2000 were analyzed on absolute Rolling volatility, Percentage Rolling Volatility and Standard deviation. The result among three have been found extremely co-related.

Proposed Risk & Return Matrix

Year	S&P BSE 100	S&P BSE 30	S&P BSE 500
2000	0.00	0.00	0.00
2001	-27.05	-17.87	-22.91
2002	6.90	3.52	16.99

2003	84.71	72.89	101.10
2004	16.44	13.08	17.47
2005	38.35	42.33	36.56
2006	40.97	46.70	38.85
2007	59.74	47.15	63.02
2008	-55.28	-52.45	-58.14
2009	85.04	81.03	90.23
2010	15.66	17.43	16.35
2011	-25.73	-24.64	-27.41
2012	29.96	25.70	31.20
2013	-1.09	2.87	-4.53
Standard Deviation	41.03	37.38	44.13



Examining the result of sample survey for hypothesis (2) where preference for Universal index is divided between BSE-30 and NSE 50 leaves research to identify the Co relationship among the studied Index. The Co-relation among the Standard deviation of three Index for Volatility in absolute return has thrown an amazing depiction. The Index Volatility deviation across 10 year has been found quite consistent, linear and unidirectional for the three Index. And hence BSE 30 sensex can be safely concluded as the Universal Benchmark for all Risk Relation Matrix for Equity Mutual Fund Scheme .

It successfully challenges the existing practice of identifying a Scheme Friendly Benchmark and highlights misrepresentation of Risk and return of the Scheme. An Investor friendly Benchmark goes long way in explaining the technicality of Benchmark to the Investor.

And hence the Financial Tool to measure Risk and risk return shall undergo basic changes which as follows.

Standard Deviation of Scheme	Standard Deviation of Daily return for Individual Equity Mutual Fund
Beta of Scheme	Co variance (Sensex -30 , Mutual Fund Scheme) / Variance of Sensex
Expected return from Equity Mutual Fund Scheme	$R_f + \text{Portfolio Beta} (\text{Sensex return} - R_f)$
Alpha is still akin to (Jensen Alpha with Sensex return replacing the Variable Market return)	<p>Scheme Return - Expected Return (Present practice is (Scheme Return- Benchmark))</p> <p>Jensen's Measure is calculated as: $\alpha_p = \bar{r}_p - [r_f + \beta_p(\bar{r}_m - r_f)]$ Where: \bar{r}_p = Expected total portfolio return r_f = Risk free rate β_p = Beta of the portfolio \bar{r}_m = Expected market return</p>
Scheme Comparison between two Mutual fund Scheme will be based on Co variance	<p>Covariance = Standard Deviation of Scheme / Expected return of The Scheme</p> <p>Coefficient of Variation = $\frac{\text{Standard Deviation}}{\text{Expected Return}}$</p>
R (Square)	It holds no functional merit for Mutual fund in absence of Scheme aligned benchmark.

Exclusion :- These changes are applicable to all Equity Mutual Fund Scheme except for Index Fund Where Portfolio is aligned to the Stated Benchmark. Hence Index Fund Shall be the exclusion under this Risk Return Matrix.

And hence Both Sharpe Ratio and Treynor Ratio will undergo change on account change in measurement of variable but not on concept.

<p>Sharpe Ratio</p> <p>(The definition of Expected portfolio return Shall be differently applicable to Equity Mutual fund replacing Sensex for all Arbitrary.)</p>	$= \frac{\bar{r}_p - r_f}{\sigma_p}$ <p>Where: \bar{r}_p = Expected portfolio return r_f = Risk free rate σ_p = Portfolio standard deviation</p>
Treynor Ratio	It Shall not be applicable in Equity Mutual fund Scheme, Given the fact unrelated Portfolio are not full diversified Portfolio, and does not eliminate the possibility of unsystematic risk leaving Total Risk far more important than the Systematic Risk.

Reference

www.valueresearch.com
www.crisil.com
www.icicibank.com.com
www.amfiindia.com
www.investopedia.com
www.bseindia.com

BOOK REVIEW : THE LEADER WHO HAD NO TITLE BY ROBIN SHARMA (TWELFTH IMPRESSION 2015- JAICO PUBLICATION)

Peanaky Mridha

Must read for all those who believe being a Human is sufficient to develop leadership qualities.

The first chapter begins with the note that everyone is born into genius but most of us die in mediocrity, and then slowly reveals as to why most of us are underachievers.

The Author introduces Blake Davis, the protagonist of the book as he wishes to unravel the secrets of achieving success through happenings in his life. Things were moving aimlessly in Blake's life when he was young (around 29) that is when a mentor, Tommy Flinn, turns up at the book store, Bright Mind Books, where Blake used to work, and coaxes our protagonist to higher level of performance. This mentor was an eccentric looking person who was unconventional in his grooming, yet there was something in his mesmerizing stare that made Blake comfortable in his presence. Tommy Flinn was wearing a necklace with LWT engraved, and introduces himself to Blake as that he was the Employee of the year and that he could be Blake's superior manager, though to him Titles do not matter but Doing his best work is all that matters. During their conversation Tommy does not reveal the secret of LWT initially and simply says that its meaning lies in the heart of method he has to teach. Tommy reveals that one does not need a title to show some leadership, you just have to be a human being. He also says that there is need to do Seriously Exceptional Work only. Tommy gets Blake to make a promise that he would share the ideas and methods that he learns from four teachers with as many human beings as he possibly can.

In the next chapter "The sad costs of mediocrity and the spectacular rewards of leadership mastery" Tommy asks Blake to meet him in the early morning at a cemetery to dramatically reveal him the secrets. He does so by gifting the silver chain to Blake and revealing that LWT stands for Lead Without Title. Tommy then makes Blake discover the 10 Human Regrets on a tablet which he had kept in a freshly dugout grave which he had dug for hours. Upon learning about the regrets our protagonist realizes in the proverbial light bulb moment, that each one of us alone creates the lives that they get to live, and that he immediately needs to make shifts and start Leading without Title. Tommy then describes what success and failure comprises of. Blake discovers another gold tablet in the second grave beside wherein the 10 Human Victories were engraved. The choice was obvious for Blake and he decides for moving on the path revealed by his mentor and to begin to lead without title and go for the rewards mentioned on the golden tablet.

In the next chapter Tommy introduces Blake to first teacher, Anna the House Keeper in one of the finest hotels in Manhattan, New York. She expounds her philosophy in the form of conversation she has with our protagonist Blake the Great. The first leadership conversation: "You need no title to be a leader". It deals with unleashing the dormant potential

Peanaky Mridha

Assistant Professor, NSHM Business School

E-mail : peanaky.mridha@nsm.com

in each individual into action through proper thinking process. This technique or the first principle of LWT is dished out as an acronym IMAGE where the letters imply Innovation, Mastery, Authenticity, Guts and Ethics. Anna explains and wants the reader to remember that how small daily improvements –over time–lead to stunning results. Daily ripples of superior performance add up over time to a tidal wave of outrageous success. Small little leadership acts really will compound into breathtaking consequences, the powerful idea is just to dedicate oneself to be consistent, focused and never-ending improvement. The author urges readers to choose innovation over stagnation so that everything will be fine for them in this crazy business world that they are in at present. There will be naysayers but pay zero attention to them and be devoted to working towards mastery. Give nothing less than ones very best. Anna encourages Blake to set the standard of BIW in the work that he does. BIW implies Best in World. Anna reveals that a number of studies have confirmed that it takes about ten thousand hours to become a master at something. This according to the author was based on an article “The Making of an Expert” in Harvard Business Review. So focus married with time produces mastery. It's never been so important to be trustworthy. It's never been so important to keep the promises that one makes to his teammates and customers. And it's never been so essential to be authentic, gutsy and ethical. Criticism is the defense reaction that scared people use to protect themselves against change.

The second leadership conversation: Turbulent times build great leaders. In this chapter Blake gets introduced to his second teacher Ty Boyd, who shares the second principle of Lead without a title philosophy. Ty was a ski pro and has won five times the world slalom skiing championship. Now he is owner of a store - The Ty Sloan Ski Shop and loves to help people learn skiing besides selling them skiing equipments. He emphasizes that we all are living in a very turbulent time where everything is changing fast. The pace of the change in business that's happening across multiple industries is only going to speed up. And if one sticks his head under his desk and hope that the avalanche of change will go way he will end up suffocating. If he fights against it, he will again end up in trouble. The only way he is ever going to make it to the unscathed, is to embrace change rather than resist it. The five practical rules here has the acronym SPARK, namely Speak with Candor, Prioritize, Adversity Breeds Opportunity, Respond versus react and Kudos for everyone.

An organization that has a culture where everyone is afraid to speak candidly is a place where people live amid delusion and fantasy. If something is important to someone important to you, then it should become important to you as well. Prioritize implies focus on the best and neglect all the rest. It is all about choice between knowing very little about most of the things and a staggering amount about a few things. All situations of crises contain exceptional opportunity. Leadership is all about leveraging hard times and using them to your advantage. That is actually seeing the obstacles as blessings in disguise. By responding, the author chooses to differentiate it with normal reaction to situations in a passive way, instead he suggests to proactively anticipate and respond to turbulent times. Appreciation or Kudos for everyone and for even small improvements is required.

The third leadership conversation: The deeper your relationships, the stronger your leadership. After meeting the two teachers, Tommy takes Blake to New York Public Library where he meets his third teacher of LWT philosophy, Jackson Chan. Jackson used to be a CEO of multibillion dollar technology outfit that employed about twenty five thousand people. Implies this teacher managed a lot of people and his emphasis is naturally people and

relationships. Jackson tells Blake that part of his job is to unleash the greatness in people who never seen the greatness within themselves. Like gardening relationships takes a lot of effort and huge amount of patience, one needs to constantly watering people like a lot of plants and reap exceptional rewards in the end. Remembering everyone in the organization is important, i.e. from the janitor to the CEO because of regardless of title everyone has a story that is worth hearing. The memorable acronym given by our third teacher is HUMAN, where the individual letters implies Helpfulness, Understanding, Mingle, Amuse and Nurture.

Jackson urges Blake to always do more than he is paid to do. Commit to become the most helpful person because you reap what you sow. Understanding people begins with most listening and not simply hearing to a person. For most of us our egos are screaming so loudly that we have no ears to hear what anyone else is saying. He informs Blake to remember that people like doing business with people they like, so Mingle or relationships are important too. Amuse or having Fun makes one more engaged in whatever one is doing. Fun makes one want to collaborate more. Nurture relationships as people are really the most important element to winning a business.

The fourth leadership conversation: To be a Great Leader, First become a great person. Its evening time and Blake has just finished with three LWT teachers which he started meeting since early that morning. Tommy this time takes Blake to "Amber Spa and Wellness Centre" in down town area in New York, where he is slated to meet Jet Brisley a Certified Massage Therapist. Jet quickly states that the final principle of LWT philosophy is about training and strengthening your inner leader so that you perform at extraordinary levels when you go out to work. Lead yourself first. Only then will you get to place as a person where you can lead other people. Jet then spells out his acronym namely SHINE, where S implies See clearly, H implies health is wealth, I implies Inspiration matters, N implies Neglect not your family & E stands for Elevate your life style. Jet espouses that your old habits of thinking and being must disintegrate before better ways of behaving can begin to integrate. Jet urges Blake and readers in general to take up forty day challenge. It is one of the keys to making real and sustained change – along with the importance of making small and steady improvements every single day, rather than massive ones that will only set you up to fail.

ABOUT THE JOURNAL AND CALL FOR PAPERS

Mission

NSHM Business School is publishing NSHM Journal of Management Research and Applications (NJMRA). The objective of NJMRA is to present current research and ideas in the field of management in a lucid format accessible to both the academia and industry. The journal is also expected to act as a platform for industry professionals to share their best practices.

NJMRA invites original research-based papers, articles, book reviews and management cases on topics of current concern in the areas of management, development economics and related social sciences. It looks for conceptually sound and methodologically robust articles that harness and extend knowledge in all domains of management through empirical work or by building on existing concepts, and draws out the implication of the research for practitioners. The section on practices on the other hand is expected to extend the knowledge of the academic researchers in this discipline. Consequently, we expect the articles to have the potential to advance both management theory and practice through the bilateral exchange and synthesis of ideas and information.

Frequency

The journal will be published twice a year in the months of June and December.

Content Mix

In view of the broad spectrum of readership, NJMRA invites contributions to any of the various sections of the journal:

- Research Papers
- Conceptual
- Empirical
- Practice
- Perspectives
- Book Reviews
- Case Studies

Here are some of the suggested themes on which contributions are welcome

General Management, Corporate Strategy, Policy and Governance; Finance, Control and Corporate Laws; Public Policy; IT and Systems; Marketing; OB/HR; Technology, Production and Operations; Economics, Sociology and other Social Sciences

Articles that consist of literature surveys or discussion on practices in industry and reviews of books that have been published within one to two years of the receipt of the review will be also considered. Industrialists, CEOs, entrepreneurs and corporate professionals may submit articles on management practices which enable them to share their experiences in exploring new and under researched areas in management.

Review Process

NJMRA is a refereed journal. All manuscripts submitted for publication would be screened by the editorial board for relevance to the journal. They would then be put through 'double blind review process' that may normally take four months. Manuscripts accepted for publication will have to be edited to suit the Journal's format. The Editorial Board of NJMRA reserves the right to shortlist a paper/article for a particular section of the Journal depending on its suitability. Wherever possible, reviewer's feedback will be provided.

Manuscripts are judged on the basis of the following criteria:

Overall contribution of the paper to the field of management, originality of the content, adequacy of the literature review, conceptual or methodological rigor, logical and technical soundness, organization of the content, writing quality, implication of the research references.

After the review process is completed, the author(s) will be informed about the decision of the reviewers by email.

Guidelines for Contributors

Articles/Papers should not exceed 10,000 words, and book review should be neatly typed MS Word document on one-side of A4 size paper with double spacing in Times New Roman, 12-point font size justified text.

Cover page should provide the title of the paper, name(s), and designation and contact details of the author, along with a short biography of the author within 100 words.

An abstract (150-200 words) should be included in the beginning of the paper followed by key words. The number of keywords should be restricted to a maximum of ten.

All sections and subsections are to be numbered. Example: 1, 1.1, 1.2, etc

All tables, charts, graphs, diagrams should be in black and white and not in color. The images should be of high resolution and in black and white only. Number and complexity of such exhibits should be as low as possible. All charts and graphs should be drawn legibly

and figures should be indicated in suitable and appropriate scale. All charts, graphs, images, etc. should also be numbered and referred to in the body of the text.

Footnotes to the text should be avoided. If required, they should be numbered consecutively and presented as endnotes.

The primary heading should be in capitalized form (Uppercase), and boldface. The sub-headings should be in title-case capitalization (first letter of each word in capital) and in bold

Citations of other works should be limited to the name of the author and year of publication. Short quotations should be included in the text within parentheses, while quotations of more than 30 words should be placed in a separate paragraph indented from the main body of the text.

References should be indicated in the text by giving the title of author(s), with the year of publication in parentheses. All references should be alphabetically listed at the end of the paper. Format of all citations should as far as possible follow the American Psychological Association (APA) referencing style. For example:

A. For Articles in Journals

Mintzbert, H. and Lampel, J. (1999): Reflecting on the strategy Process, Sloan Management Review, Vol.40, No 3, pp.21-30.

Singh, G., Kala, S.P. and Singh, S. (2006): Impact of Advertising Attitude on Consumer, Amity Business Review, Vol. 7, No 2, pp. 60-63.

United States Agency for International Development (USAID), (2008): Private Health Insurance in India: Promise & Reality.

World Bank Report (1994): Averting Old Age Crisis

B. For Articles in Books (Edited Volumes)

Manimala, M.J. (1999): Entrepreneurial Politics and Strategies – The Innovator's Choice, New Delhi: Sage Publications, pp. 114-123.

C. For Working Papers and Thesis

Balasubramanian, N. (1997): Equity Returns in India: An Empirical Study of the Experience of the Nineties, Working Paper No. 5/1997, UTI-IIMB, Centre for Markets Education & Research, Indian Institute of Management, Bangalore.

D. For Websites

Gerwig, K. and Carlson, R. (2001): AT&T & Comcast: Dividing Their Business to Conquer Current Analysis.
<http://www.currentanalysis.com/CurrentComplete/Eventview.cfm?reportid=6744&nav=1>

10. When citing sources within text, only the author surname(s) and year should be mentioned as illustrated below.

If the market exists it would help the victims to get assured good quality treatment at low cost through either risk-pooling (Arrow, 1963) or income-pooling (Nyman, 2003).

One unique thing of private health insurance (PHI) in Canada is the coverage of prescription drugs outside of hospitals that is not provided by public coverage (Glied, 2001; Colombo and Tapay, 2004).

This regulation needed well defined and informative materials regarding the future prospect of the insurance products at the time of sale, claims procedure, proper functioning of policyholders services and so on (USAID, 2008).

11. In case of more than two authors only the first author surname must appear followed by et al as shown below :

This indicates the presence of substitution relation in richer countries between private and public provisioning of healthcare related services; if quality of public service is not up to the mark relatively more affluent people may opt out (Sekhri et al. 2005).

12. If a contribution is accepted for the sections – Conceptual/Empirical Research

Papers/Practice/Case Studies then the author will be paid an honorarium of Rs. 3,500. For accepted Book Reviews and articles appearing in "Perspectives" the honorarium will be Rs.1000. Authors will also receive a complimentary copy of the issue of NJMRA in which the article is published.

Correspondence

In the covering letter accompanying the manuscript, the author(s) should certify that the manuscript has neither been published anywhere nor is it being considered elsewhere for publication. Copyright of all accepted papers for publication and use in any form/format will vest with NSHM Business School. Each author of the paper will have to sign the Pre-Publication Author Disclosure Form and the scanned soft copy of this form with signature of the author(s) duly attested by the head of their institute(s) has to be submitted to the editor through email.

For submission of articles papers, files can be attached in the email addressed to the Editor, NJMRA and sent to editor.njmra@nshm.com. In the subject column of the mail, indicate "Article for the Journal".

The manuscript should be sent on the following address:

The Editor
NSHM Journal of Management Research and Applications,
NSHM Business School
NSHM Knowledge Campus
124(60) B.L.Saha Road, Kolkata - 700 053
West Bengal, India
<http://www.nshm.com/quicklinks/njmra.php>

NSHM Journal of Management Research and Applications Pre-Publication Disclosure Form

Author and co-authors of the article must fill-in and sign a copy of this form and submit it to the office of NSHM Journal of Management Research and Applications before an accepted article will be scheduled for publication.

I/We _____, (Author (s) name), the copyright owner(s) of
the Article _____

do hereby authorize you to publish the above said article in NSHM Journal of Management Research and Applications

I/WE FURTHER STATE THAT:

1) The Article is my/our original contribution and has not been plagiarized from any source/individual. It does not infringe on the rights of others and does not contain any libelous or unlawful statements and all references have been duly acknowledged at the appropriate places.

2) The work has been submitted only to NSHM Journal of Management Research and Applications and it has not been previously published or submitted elsewhere for publication in a refereed or copyrighted publication.

I/We hereby authorize you to edit, alter, modify and make changes in the Article to make it suitable for publication in NSHM Journal of Management Research and Applications.

I/We hereby assign all the copyrights relating to the said Article to NSHM Journal of Management Research and Applications KOLKATA.

I/We have not assigned any kind of rights of the above said Article to any other person/institute/publication.

I/We agree to indemnify NSHM Journal of Management Research and Applications, Kolkata against any claim or action alleging facts which, if true, constitute a breach of any of the foregoing warranties.

Name: First Author

Name: Second Author

Signature:

Signature:

Date:

Date:

Subscription Form

I wish to subscribe/renew my subscription to "NSHM Journal of Management Research and Applications for 1/2/3 year(s). A bank draft / cheque bearing no. _____ for ₹/US\$ _____ drawn in favour of "H.C. Garg Charitable Trust" towards subscription is enclosed.

Name _____

Address _____

City _____ Pin _____

Country _____

Phone _____ Fax _____

E-mail _____

Signature with date _____

Please send the amount by DD/Crossed account payee cheque favouring "H. C. Garg Charitable Trust" for timely receipt of Journal.

For outstation cheques, Please add ₹ 30 towards bank charges.

SUBSCRIPTION RATES

Category	1 year	2 year	3 year
Indian in ₹			
Institutions	300	550	800
Individuals	200	350	500
Alumni	150	225	350
Students	150	225	350
Foreign in US\$			
Air-Mail	75	125	175
Sea Mail	60	100	135

Please send your subscription from along with your DD/Crossed Account Payee Cheque to :

Mrs. Supriya Banerjee,

NSHM Knowledge Campus - Knowledge Group

124(60) B. L. Saha Road,

Kolkata 700053, West Bengal, India

Subscription Form

I wish to subscribe/renew my subscription to "NSHM Journal of Management Research and Applications for 1/2/3 year(s). A bank draft / cheque bearing no. _____ for ₹/US\$ _____ drawn in favour of "H.C. Garg Charitable Trust" towards subscription is enclosed.

Name _____

Address _____

City _____ Pin _____

Country _____

Phone _____ Fax _____

E-mail _____

Signature with date

Please send the amount by DD/Crossed account payee cheque favouring "H. C. Garg Charitable Trust" for timely receipt of Journal.

For outstation cheques, Please add ₹ 30 towards bank charges.

SUBSCRIPTION RATES			
Category	1 year	2 year	3 year
Indian in ₹			
Institutions	300	550	800
Individuals	200	350	500
Alumni	150	225	350
Students	150	225	350
Foreign in US\$			
Air-Mail	75	125	175
Sea Mail	60	100	135

Please send your subscription form along with your DD/Crossed Account Payee Cheque to :

Mrs. Supriya Banerjee,
NSHM Knowledge Campus - Knowledge Group
124(60) B. L. Saha Road,
Kolkata 700053, West Bengal, India