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It gives us immense pleasure in bringing to you the current issue of Uttaranchal Business Review. Research is an ongoing process and vouches for a continuous growth and updating. The present issue offers many thought-provoking avenues to researchers and scholars. We are presenting numerous such research papers in this issue.

"e-CRM: A Potent Strategy for Protecting and Managing Customers in the Age of e-Commerce" by Shikha Gupta & Sumanjeet Singh highlights the importance of e- CRM as strategy for managing customers. The presentation of 'self' among the faculty members has been explored by Bipin Chandra Kandpal and D S Chaubey in their article "A Study of Impression Management Techniques applied by Academicians in Select Educational Institutions of Dehradun" and highlighted impression management techniques adopted by teachers to present themselves as professionals, sleek and competent. Employee-retention techniques in the contemporary period have been explored in the article "Antecedents to Employee Retention in Banking Industry: An Empirical Enquiry of Individual Related Variables" by Niharika Singh & L. S. Sharma.

GST has emerged as a hot topic of discussion among all the sectors of economy and academicians. The GST and its impact on the online marketplace in India has been discussed by Raja Sarkar & Sabyasachi Das. Durga Madhab Mahapatra & Soumendra Patra & Ashok Kumar Mohanty reviwed the performance related issues of banks in their research work on "A study on performance of foreign Banks in India".

Globalization of business has opened up many opportunities for exporting goods across the globe. The various criteria consideration of the seafood exporters in the international market has effectively been explored by S. Rajamohan & D. Joel Jebadurai. In line with this, José G. Vargas-Hernández, Rebeca Almanza Jiménez, Patricia Calderón Campos & Rafael Casas Cardenaz have described the performance and organizational learning under the organizational theories. The present trend and future prospects of tourism were highlighted by Nishant Chaturvedi in his work on Indian Hospitality Industry in the context of Proliferating India. Chette Srinivas Yadav & A.Sudhakar have analysed the marketing factors influencing purchase decisions in the Health Insurance Sector of India.

Navita Mishra, Rajat Praveen Dimri & Babita Rawat have explored the employee relationship management practices and their impact on employee job satisfaction and their intention to quit; whereas the relationship management and its impact on customer satisfaction in Hotel Industry has elaborately been explained by Shailesh Chamola & Ashok Kumar in their work. A case study on Snapdeal Gains or Losses in Aamir Khan Controversy was developed by Devkant Kala & D.S. Chaubey highlighting business prospects in this field.

We encourage researchers and academicians to use this as a platform to publish their work and express their ideas for the cause of further research. We are looking forward to readers' response, suggestions and feedback.

I express my deep gratitude towards all our advisory board members and editorial board members for their guidance and support.

Sincerely,

Prof. (Dr.) D.S. Chaubey
Editor-in-Chief

Contents

E-CRM: A POTENT STRATEGY FOR PROTECTING AND MANAGING CUSTOMERS IN THE AGE OF E-COMMERCE

Abstract

Traditional marketing activities that emphasize customer acquisition are no longer sufficient. Therefore, today many companies are racing to re-establish their connections to new as well as existing customers to boost long-term customer loyalty. Companies are competing effectively and winning this race through the implementation of relationship marketing principles using strategic and technology based Customer Relationship Management (CRM) applications. In this backdrop, the present paper aims to explore the various aspects of e-CRM strategy. In this process, paper highlights how technology-enabled companies can reap the benefits of e-CRM strategy. At the same time, the paper also discusses implementation challenges of e-CRM. The Paper also suggests the strategies towards the successful implementation of e-CRM. The Paper ends with concluding remarks. The paper concludes that e-businesses must carefully calculate and understand the benefits they will gain and must realize that CRM and e-CRM investments may not show quantifiable benefits in the short run. A healthy balance of hard and soft benefits is a sign of a well thought-out justification for pursuing e-CRM.

Key Words: e-CRM, E-Business, Customers, Relations, Marketing

Introduction

Relationship between a seller and buyer ought not to end, as a sale is made (Levitt, 1983). Instead, the relationship needs to identify as it helps to shape or determine the buyers' choice the next time around. Further, Levitt termed the relationship between buyers and sellers as inextricable, inescapable and profound. Today, companies have recognized that in order to survive the competition, the only factor, which gives them the competitive edge, is the long-term relationship with customers. Traditional marketing activities that emphasize customer acquisition are no longer sufficient (Batra, 2001). Therefore, today many companies are racing to re-establish their connections to new as-well-as existing customers to boost long-term customer loyalty. Companies are competing effectively and winning this race through the implementation of relationship marketing principles using strategic and technology based Customer Relationship Management (CRM) applications.

Conceptualization of e-CRM

Customer relationship management, is a concept that evolved from sales automation (relationship marketing); sales automation evolved into customer assets management and then into CRM. Basically, CRM is a management approach or model that puts the customer at the core of a company's processes and practices. A CRM business strategy leverages

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cutting-edge technology, integrated strategic planning, personal marketing techniques and organizational development tools to build internal and external relationships that increase profit margins and productivity within a company (Kable 2003). For customers, CRM offers customization, simplicity, and convenience for completing transactions, regardless of the channel used for interaction (Gulati and Gario, 2000).

The evolution of e-CRM cannot be separated from CRM. CRM is the philosophy of interaction with customer and e-CRM is electronic Customer Relationship Management (CRM), which is conceptually the same as CRM, the only difference being that it is a new term where all integration in the purview of the customer takes place with the help of electronic media. Basically, the concept of e-CRM evolved with the emergence of Electronic Commerce (popularly known as E-Commerce). Electronic commerce coined by Kalakota and Whinston (1996) continues to be a significant and pervasive issue for both enterprises and customers. Furthermore, Kalakota and Whinston articulated e-commerce as being comprised of three relationship types: those between enterprise and customer (B2C); those between and among customers (C2C) and those within enterprises (B2B). E-CRM addresses the relationship between enterprise and customers (B2C) and within enterprise (B2B).

Figure 1: Framework of e-CRM
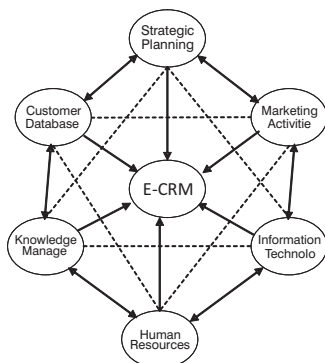
Presently, Internet is seen as primarily a direct selling medium, and online selling has grown dramatically. The past year brought a continuation of impressive growth of retail e-commerce around the world. As internet usage continues to mature across the world, ecommerce growth will slow over time, settling around 10% by the end of 2018. However, with sales reaching $2.356 trillion in 2018, a 10% growth rate still represents more than $200 billion new dollars that year (Table 1)

Table 1: *B2C E-Commerce Transactions Worldwide (2013-18)*

Years	B2C E -Commerce Worldwide (in US$ Trillion)	%age Change
2013	1.233	19
2014	1.471	19.3
2015	1.700	15.6
2016	1.922	13.1
2017	2.143	11.5
2018	2.356	9.9

Note: CAGR (3013-2018) =13.8; includes products and services ordered and leisure unmanaged business travel sales booked using the internet, regardless of method of payment and fulfillment

Source: e-Marketer, July 2014

As more and more customers are shifting from traditional commerce to electronic commerce, the issues of generating new customers and protecting the existing customers and more importantly retaining the customers are gaining importance in the age of electronic commerce. Modern organizations are, therefore, looking for ways to personalize online experiences (a process also referred as mass customization) through tools such as help desk software, e-mail organizers and web development applications. Fundamentally, like CRM, E-CRM concerns attracting and keeping "economically valuable" customers, while repelling and eliminating "economically invaluable" ones. It utilizes a complete view of customer to make decision about messaging, offers, and delivery channels. It synchronizes communications across disjointed customer-facing system. Carin and Vita (2001) defined the scope of e-CRM and stated that it is about the three 'e's of customer relationship management: electronic, enterprises and extended. But the real scope of e-CRM is much bigger. It is about how it can interact with every part of your business supply chain and how it integrates with internal business processes, as well as customers and outside partners.

Payback from the Implementation of e-CRM

E-CRM has become the new buzzword across all e-commerce industries and the concept is catching up in a big way. Companies have learnt that growing their business through the retention and expansion of an existing customer base is far less costly than acquiring new customers in the age of Electronic Commerce. Thus, e-businesses are finding that the only way to sustain growth is to shift their focus from customer acquisition to customer retention. As a result, almost every organization either implementing or planning to implement B2C or B2B e-commerce strategy, CRM will touch virtually every company. Apart from this, for e-business to achieve ROI (Return on Investment) from e-CRM, investment in the application domains and technologies of e-CRM must contribute to measurable business benefits in

addition to non-measurable (intangible) benefits (i.e. customer loyalty). Some of the most important benefits from e-CRM implementation are:

- E-CRM enables companies to understand customer needs and buying habits better to leverage the new/better product/service offering to customer.
- Managing customer relationships effectively and efficiently boosts customer satisfaction and retention rates (Richheld, 1996 a,b; Jackson, 1994 and Levine 1993).
- With E-CRM, a number of enterprises are establishing shared services (centralized) centres for handling prospect and customer enquiries in order to create economies of scale, reduce costs, and improve customer satisfaction. Further, elimination of non-value-added activities can significantly reduce the cost of processing certain transactions.
- e-CRM is a low-cost alternative to leveraging partnerships with both suppliers and customers to improve effectiveness, reduce lead time, and provide inventory level visibility.
- Disregarding the number of customers and the transactions, the e-CRM approaches enable companies to have some clarity about their customers. E-business can also track the same customers anywhere in the world as has been happening in the case of airlines and logistic service providers (Ramachandaran, 2001).
- Internet is an integral part of e-CRM. It increasingly allows the concept of self-sales and self-service to be pushed outside the enterprise. Prospects can qualify themselves and customers can check their own product shipment status and log their own support issue.
- e-CRM provides enhanced customer care (through web, call centres, and directly with field representatives), services and customer information management across the organization, which automatically lead to improved customer satisfaction and customer loyalty.
- Track customer interest, demographics and behaviour gathered from various sources including web sites activity such as: click stream data, remote data store, surveys and e-commerce transactions.
- It has been well known that retaining customer is more profitable than building new relationship. Reichheld (1996) found that a 5 percent increase in customer retention resulted in an increase in average customer lifetime value of between 35 percent and 95 percent, leading to a significant improvement in company profitability. e-CRM assists this step by understanding customer drivers, preferences, buying behaviour, price sensitivity and customer services. A recent Deloitte Consulting Survey of more than 900 executives across different industries also revealed that manufacturers that set goals for improving customer loyalty are 60 percent more profitable than those without such a strategy (Saunder, 1999). Thus e-CRM strategy can help create new customers, and more importantly, develop and maintain existing customer.
- Thus, e-CRM is a customer-centric business strategy to optimize an organization's relationship with its customers with a goal to achieve highest levels of retention, satisfaction and customer loyalty.

Implementation Challenges of e-CRM

The need for e-CRM cannot be ignored because there cannot be a business without customers and customers of value can only be acquired and retained through relationships. But implementation of e-CRM is a major challenge, as it requires a variety of

skills as well as it calls for strategic shift in its business processes and practices. It is less about managing technology and more about managing a cultural change in the organization. (Jaiswal and Kaushik, 2002) In the year 2001, Ramachandran explained the following major challenges in the successful implementation of e-CRM.

- Many organizations do not examine the cost of hardware and software required to have a strong CRM. They often get puzzled with offers of new version of the same package and the long-term implications of recovering the investments made. Advocates of e-CRM often forget to emphasize the importance of analyzing the costs and benefits while following an e-CRM approach.

  Not all employees may have the right attitude towards CRM if they are not convinced about the need to track customers and their buying pattern.

  Add to these two, there are number of challenges in implementation of e-CRM. Some of the most important are:

- E-CRM has sweeping implications for a company's organizational structure, processes, and technology investments. And to change from a traditional product/service focused model, a company must make significant changes to basic operational processes. Thus, a central challenge is synchronizing the process, data and supporting technology for a company's sales, marketing, and customer support activities.

- Companies have to make a strategic choice between acquired growth and organic growth (Sabat 2001).

- Shift in focus from products to customer.

- Selecting a technical solution that meets business objectives is another challenge. All too often, technical solutions influence business directions. Companies are either too focused on the latest wave of technology (e.g., the Internet) or allow themselves to be constrained by their existing technology.

- Fully customized solutions have the advantage of providing an integrated system architecture, but they have historically been characterized by high development costs, long deployment schedules and in a time of rapid technology changes - high maintenance costs.

- Significant initial and annual investments are required for the implementation of e-CRM, which is out of the capacity of small and medium-sized-business.

Last but not the least, the inherent problem with e-CRM is identified in its name by the words relationship and management (Dowling, 2002). It will be difficult for customers to have much influence in the relationship if the companies seek to manage it-to their profitable advantage.

Suggestions towards successful implementation of e-CRM

There is a big difference between spending money on customers and products and making it all work. Implementation of e-CRM is still far short of ideal. Everyone has their own stories about poor customer services and e-mail sent to companies without hearing a response (Twiner, 2001). Despite several years of experience, web-based companies still did not fulfill many requirements of the customers (i.e. order) and customers continue to

have difficulties returning unwanted or defective products. Therefore, there is a strong need for the companies to redesign their e-CRM strategy or implement the existing in a real sense. Frawley (2000) suggested that regardless of the companies' objectives, an e-CRM solution must possess certain key characteristics.

- Driven by data warehouse.

- Focused on multi-channel view of customer behaviour.

- Structured to identify a customer's profitability or profit potential, and to determine effective investment allocation decisions accordingly.

- Based on consistent metrics to assess customer actions across channels.

- Scalable to meet growth and performance.

- Built to accommodate the new market dynamics that place the customer in control.

- In addition to these, other suggestions towards the successful implementation of e-CRM are:

- E-CRM is a process of high velocity and real time. Therefore it succeeds only when it is a part of an overall business process, so Supply Chain Management (SCM) and other business processes must be integrated seamlessly into the customer facing process.

- Organizations today must focus on customers through delivering the highest value to customers through better communication, faster delivery and personalized products and services. Since a large percentage of customer interaction will occur on the Internet rather than with employees (Buttema, 2000), technology must adapt to the changing and unpredictable market.

- While many e-CRM suites do contain a great deal of the needed functionality, almost non-certain everything that a company needs-or will need in the future-meaning that additional software must be integrated with the existing application.

- There is need to evaluate regularly the effectiveness of various channels of e-CRM.

- Integrate all data to establish a closed loop that tracks all leads and prospects.

- There is an urgent need to build an attractive value proposition, because if the product is in itself unappealing, any amount of e-CRM push will not yield desirable results.

- Developing the learning relationship (Pepper and Rogers, 1997). This means a continuous two-way dialogue, which allows the offering to be adapted to meet specific needs. It can be achieved by the means of online feedback forms, analysis of queries to customer service facilities, or through use of increasingly sophisticated software that analysis customer site- searching behaviour before purchase.

Last but not the least, search for software package that embodies what e-CRM is for the firm. The e-CRM software must be able to communicate with customers across a range of electronic interaction channels, including e-mail, cell-phones etc. And to be fully effective, e-CRM also requires a holistic approach to selling and serving the customer that does not depends on separate front and back office information islands but depends even more on a fully integrated CRM solution.

Concluding Remarks

As many businesses are shifting their marketing battle from traditional commerce to electronic commerce, the certain issues of creating satisfied customers, retaining the customers and more importantly building the loyal customers are also emerging. Therefore, every business, B2B or B2C must focus on the needs of its customers and practice effective customer relationship management. The e-CRM is just what the e-businesses needs. E-CRM is premised on the belief that developing a relationship with the customers is the best way to get them to become loyal and that loyal customers are more profitable than the non-loyal customers. In fact, e-CRM is an excellent concept; if implemented successfully. But, implementation of e-CRM as a business strategy is not an easy task. Companies have so far failed to exploit the potential of e-CRM and vendors face many incredible challenges in a market that has yet to fully prove itself. Perhaps the biggest reason is that many organizations launch into this initiative without a roadmap or clear set of objectives; the result is always disillusionment and frustration. In reality, e-CRM is all about business strategy and therefore requires the direction and engagement of the senior management to be successful. Senior management must have a broad understanding of the capabilities of these technologies and then translate them into specific opportunities that leverage the competitive advantage. Further, e-CRM cannot be operated in an institutional vacuum, it requires development of a set of integrated software applications with all aspects of customer interaction i.e., e-mail management, interactive voice response, knowledge management, instant online querying through chat, call centres etc. E-businesses must carefully calculate and understand the benefits they will gain and must realize that CRM and e-CRM investments may not show quantifiable benefits in the short term. A healthy balance of hard and soft benefits is a sign of a well thought-out justification for pursuing e-CRM. As far as future of e-CRM is concerned, it seems to be very bright. In fact, the future of e-business will be largely depending on the successful strategy of e-CRM and success of e-CRM strategy will be largely determined by the successful implementation of e-CRM.

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A STUDY OF IMPRESSION MANAGEMENT TECHNIQUES APPLIED BY ACADEMICIANS IN SELECT EDUCATIONAL INSTITUTIONS OF DEHRADUN

Abstract

This paper analyses impression management techniques followed by academic staff members based in Dehradun region of Uttarakhand, India. The study was done through cluster analysis and the parameters of the factors were taken from Jones and Pittman's taxonomy of impression management study. The purpose of the study was to know about impression management techniques adopted by teachers, lecturers and professors in schools, colleges and universities of Dehradun region. The study reveals that most of the employees adopt self-promotion and ingratiation to impress others at workplace. While their motive behind impressing others was found to be desire to attain career growth in their respective fields. Interestingly, irrespective of impression management techniques adopted by them, knowledge and intellect are the two most important attributes in an academician which most of the employees do feel are necessary for them to impress others at workplace.

Keywords: Self-Promotion, Ingratiation, Supplication, Intimidation, Exemplification, Cluster Analysis

Introduction

People have been pursuing socialization since their birth. They do develop relationships with others and maintain them in order to meet their own physiological and psychological needs in effective and efficient manner. While building relationships people must go through the important process of socialization, which must be managed carefully. The socialization requires them to interact with many people related to diverse backgrounds, personalities, professions etc. The dissimilarities among people results into problems while pursuing the process of socialization. Each stranger who is encountered by the others is seen as a potential threat to the social group or organizations. The new relationship would depend upon how rationally the threat from the new entrant or stranger has been analyzed by the social group or organization. Hence, an entrant would be examined according its physical appearance firstly, then its character would be brought into play. Every individual needs to behave and act in such a manner that he is accepted by people in a positive manner and then there comes the concept of impression management.

Impression management, the process whereby someone tries to influence the observations and opinions of others about something. All kinds of organisations consist of individuals with variety of personal characteristics;   therefore, those are important to

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manage them effectively that identifying the behavior manner of each, interactions among them, and interpersonal relations on the basis of impressions given and taken. This paper presents an analysis of impression management strategies used by employees in educational institutions. The study uses factor analysis using five major parameters-Self-promotion, Ingratiation, Exemplification, Intimidation and Supplication, proposed by Jones and Pittman taxonomy(1982). The purpose of the paper is to explore impression management strategies adopted by employees in educational institutions.

Literature Review

Impression Management is the process whereby people seek to influence the image others have of them (Rosenfeld, Giacalone &Riordan, 1995). It is concerned about making efforts to control and influence other people's perceptions. The theoretical framework of impression management was first developed by Erving Goffman in 1959. The book "Presentation of Self in Everyday life" authored by Goffman (1959), reveals about presentation of self towards society. The concept of impression management is a dramaturgical metaphor of individuals as actors on a stage performing for audience (Goffman 1959).Individuals interact with others in such a manner that they could create a positive image of themselves in the minds of others in order to fulfill their physiological and psychological needs. From the perspective of social psychology impression management is concerned with studying how individuals present themselves to others to be perceived favorably by others (Hooghiemstra 2000).

The dramaturgical framework of impression management suggested by Goffman, hints at the way individuals (actors) present themselves and how others (audience) might perceive that presentation. (Cole, Rozelle,2011). Therefore the individual (actor) would like to go with a particular strategy which meets his expectation from others. The strategy used by the individual for impression management however depends on various factors like personal motivation, target audience and situational factors where it takes place (Cole, Rozelle,2011). Most of the literature on impression management focuses on using impression management tactics adopted by individuals in order to be liked and be seen attractive (Cole, Rozelle, 2011). Another theory proposed by Jones and Pittman (1982) suggests that impression management strategies used by individuals aims to protect and maintain one's power. They offered five strategies of impression management as, Ingratiation, Self-promotion, exemplification, intimidation and supplication.

Ingratiation involves doing a favor or use of flattery to be likable by the observers. The

ingratiator tries to find out in observers or audiences as what is appealing or likeable to them and provide the same to them (Schlenker, 1980). Tedeschi and Melburg (1984) defined ingratiation as "a collection of forceful tactics with the aim of gaining the admiration of an audience, who has the authority to offer significant rewards for the actor" (Arif,2011). Pandey   and Rastogi(1979) suggested that ingratiation shown by job seekers is more in India because of intense competition. Furthermore it is more prevalent because of differences in social class in India(Pandey,1986).

Self-promotion involves pointing out your abilities and achievements to others so that one can be seen competent by others (Jones and Pittman 1982). It is usually adopted by the individuals to achieve immediate goals like getting a new job (Tedeschi & Riess, 1981) and considered to be an aggressive strategy of impression management (Arif, 2011). If the individuals are not able to provide any evidence of their accomplishments which they are claiming, then, there is a risk of them being seen as arrogant or conceited resulting into negative influence (Jones and Pittman, 1982). Self-promotion is highly used when the individuals are confronted with the risk of their accomplishments claims being challenged or discredited low (Rosenfield, 1995). It has also been found that the occurrence of self-promotion increases when individuals have an opportunity to openly impress someone, who is in a higher rank or status than theirs (Giacalone & Rosenfeld,1986).

Exemplification involves showing of oneself to look overly dedicated and committed while creating a feeling of guilt among others (Arif,2011). Some people use exemplification to make other feel guilt consciou so that others could emulate the behavior presented by them(Jones and Pittman,1982).

Intimidation is a strategy where people try to exhibit their power or potential to be seen as dangerous by observers (Jones and Pittman,1982). The individual tries to increase the credibility of his threats to make others agree to his demands (Tedeschi & Reiss, 1981). The fear created by intimidator is used to coerce and that gives a chance to intimidator to make others to submit to his demands (Cole, Rozelle,2011). The goal of intimidator is look powerful, however such people run the risk of being perceived unfavorably (Jones 1990). Especially in case of females, if they use intimidation as an impression management strategy, then they run a more risk of being perceived negatively than their male counterparts (Fiske et al, 1991).

Supplication is a strategy where individuals point out their weaknesses, in order to be seen needy for help or favors (Jones and Pittman, 1982). It is considered as a passive strategy. Individuals may adopt it to seek help and support from others (Arif,2011). People use supplication strategy in order to avoid criticism for making a mistake or avoid work(Leary,1996).

Objective of the Study

The main objective of this paper is to find out impression management strategy adopted by employees of educational institutions. The sub objectives are:

- To analyse the impression management techniques adopted by teaching staff in academic institutions.

- To analyse the motives behind Impression management strategiesadopted by teaching staff in academic institutions.

   Assumption of Hypothesis

H0: the different impression management techniques does not differ significantly across the teachers working at different level.

H1: the different impression management techniques differ significantly across the teachers working at different level.

Research Methodology

The data used in this study was collected from schools, colleges and Universities locatedinDehradun, state capital of Uttarakhand, India, during the period of June 2015 till Dec2015. By reviewing the work of prominent researchers, including Rosenfeld, Giacalone &Riordan, (1995), Goffman (1959)Hooghiemstra (2000) , Cole, Rozelle,(2011) Schlenker, (1980). Tedeschi and Melburg (1984) Tedeschi & Riess, (1981) Rosenfield, (1995) Giacalone &Rosenfeld,(1986), Jones (1990) Fiske et al, (1991) Arif,(2011), Leary, (1996) variables for Impression management techniques were identified and incorporated into the structured questionnaire.

Survey Instrument

A survey questionnaire was developed by using Jones and Pittman (1982) taxonomy . Their taxonomy includes: self-promotion, whereby individuals point out their abilities or accomplishments in order to be seen as competent by observers; ingratiation, whereby individuals do favors or use flattery to elicit an attribution of likability from observers; exemplification, whereby people self-sacrifice or go above and beyond the call of duty in order to gain the attribution of dedication from observers; intimidation, where people signal their power or potential to punish in order to be seen as dangerous by observers; and supplication, where individuals advertise their weaknesses or shortcomings in order to elicit an attribution of being needy from observers.

The survey was conducted using self-administrated questionnaires. Convenience and justified sampling was done to choose the respondents. Each prospective respondent was initially approached and informed the purpose of the survey. A total of 200 respondents participated in the study, with a final valid 158 questionnaire being used in this study, excluding 42 responses that were unreliable or insincerely answered. Respondents were asked to indicate their level of agreement with each of the 20 attributes of a five-point Likert-scale ranging from 1 (strongly disagree) to 5 (strongly agree). In order to ensure the validity of survey instrument, the initial questionnaire was given to a panel of experts and faculty members to judge its content's validity, the clarity of its items meaning and to assure its linkages with the study objectives. In order to validate the reliability, the questionnaire was pilot tested using 20 respondents, representing 10% of the total sample size, who were considered the representatives of the study population. The value of Cronbach's alpha was found 0.768, which suggested an acceptable level of reliability of the questionnaire. The data thus received was systematically arranged, tabulated and analyzed using IBM SPSS Version 20.

Results and discussion
Demographic Characteristics of Respondents
Table 1. Demographic Characteristics of Respondents

	Categories	Count	Percentage
Age	Upto 25 Years	31	19.6
	25-35 Years	87	55.1
	35-45 Years	16	10.1
	45-55 years	6	3.8
	55 to 65 Years	17	10.8
	Above 65 years	1	0.6
Gender	Male	97	61.4
	Female	61	38.6
Marital Status	Married	62	39.2
	Un Married	96	60.8
Education Level	Under graduate	12	7.6
	Graduate	10	6.3
	Post Graduate	76	48.1
	Professional Qualification	60	38.0
Income Level	Upto INR15000PM	26	16.5
	From INR 15000to INR 25000PM	69	43.7
	INR 25000 to INR 40000PM	39	24.7
	INR 40000PM to INR 60000PM	2	1.3
	INR 60000 to INR.150000PM	22	13.9
Designation	Teaching at School Level	11	7.0
	Under Graduate Teacher	79	50.0
	Post Graduate Teacher	68	43.0
Professional experience	From0-3 Years	44	27.8
	3-5 years	30	19.0
	5-10 Years	38	24.1
	10-15 years	21	13.3
	more than 15 years	25	15.8

Demographic characteristics is one of the most important variable affecting employees for using different impression management techniques to impress others. The data summarized in **Table 1**listed in the annexure indicate demographic and professional characteristics of respondents. 19.6% respondents were from age group up to 25 years, 55.1% were from 25-35 years and 10.1% were from age group of 35-45 years. 3.8% respondents are the 45-55 years of age. 10.8 % respondents falls in the age group of 55-65 years and very few .6% are in the age above 65 years. Majority of the respondents 61.1% are male member and 60.4% respondents are in unmarried category respondents. Survey reveals that more than half of the respondents are drawing upto INR25000Per month. Majority of the respondents are teaching in under graduate or post graduate colleges.. It is seen that 27.8%, 19.0%, 24.1% 13.3% and 15.8% respondent were having work experience

upto 3 years,3 to 5 years,5to 10 years10-15 years and More than 15 years respectively. This shows that representative sample covers responses of diverse demographical and professional characteristics, so that perception towards impression management can be evaluated effectively across the different dimensions.

The employees rating of different impression management techniques were clubbed into five important) taxonomy named   as self-promotion, ingratiation, exemplification, intimidation and supplication and combined mean of each was calculated using SPSS *software and is presented in the table no 2.*

Table 2. *Mean of different impression management techniques across teachers working at different level*

Designation in the Organisation	Self-Promotion	Exemplification	Supplication	Ingratiation	Intimidation
Teaching School Level Teacher	3.6061	2.6909	2.6136	3.0909	3.1136
Under Graduate Teacher	3.4051	2.6076	2.1930	2.9013	2.1772
Post Graduate Teacher	3.2255	2.6265	2.6654	3.2471	2.4485
Total	3.3418	2.6215	2.4256	3.0633	2.3592

It is seen from the table2   that mean rating of self promotion has scored highest mean of 3.6061 among the other motivesof impression management in the school level teachers as well asunder graduate level teachers. However mean of Ingratiation is highest among the post graduation level teachers. This indicates that self promotion and ingratiation are the most important among teachers as compared to other motives.

Table 3 *One Way ANOVA of different impression management techniques across teachers working at different level*

		Sum of Square	Df	Mean Square	F	Sig.
Self-Promotion Promotion	Between Groups Within Groups Total	2.004 49.596 51.600	2 155 157	1.002 .320	3.132	.046
Exemplification on	Between Groups Within Groups Total	.070 83.977 84.047	2 155 157	.035 .542	.065	.938
Supplication	Between Groups Within Groups Total	8.573 74.115 82.689	2 155 157	4.287 .478	8.965	.000
Ingratiation	Between Groups Within Groups Total	4.379 100.188 104.567	2 155 157	2.189 .646	3.387	.036
Intimidation	Between Groups Within Groups Total	9.420 36.634 46.054	2 155 157	4.710 .236	19.928	.000

Further one way ANOVA was carried out to test the hypothesis that, the mean of different impression management techniques   does not differ significantly across the teachers working at different level. The information presented in the table 3 showing   that the calculated value of F is lesser than the tabulated value of F (2.37) at ($p< 0.05$) level of significance in case of exemplification. Thus null hypothesis is accepted indicating that there is no significant difference in the mean across the different categories of the teachers. However significant difference exists in case of Self-promotion, Supplication, Ingratiation, and Intimidation

There are important motives driving individual employees for impression management when one wants to influence another to achieve some rewards. Some of the social outcomes are to secure/retain job, for career growth, to acquire job designation, for job recognition and identity Crisis. The outcome of various motives behind impression management presented in the table 4 reveals that the majority of the employees under go impression management with the motives ofcareer growth as it was indicated by 55.1% employees in the sample. Another 12.0% , 5.7%, 16.5% and   10.8% respondents respectively indicated to secure/retain job, to acquire job designation, job recognition and identity Crisis as main motive of impression management.

Table 4. Main Motives

	Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
ValidTo secure/retain job	19	12.0	12.0	12.0
for career growth	87	55.1	55.1	67.1
To acquire job Valid designation	9	5.7	5.7	72.8
For job recognition	26	16.5	16.5	89.2
Identity Crisis	17	10.8	10.8	100.0
Total	158	100.0	100.0	

Further an attempt was made to assess the degree of association of various impression management techniques   across the teachers at different level. The chi square test was carried out to assess the relationship between these two variables and is presented in the table no 5.

Table 5. Degree of association among the main motives of impression management across the teachers at different level

Main Motives						
		To secure/ retain job	**for career growth**	**To acquire job desig- nation**	**For job recogn- nition**	**Identit- y Crises**	**Total**
Designa tion in the Organi- sation	School Level Tea- ching	1	3	1	3	3	11

Main Motives						
	To Secure retain job	**for career growth**	**To acquire job desig- nation**	**For job recogn- nition**	**Identit- y Crises**	**Total**
Under Graduate Teacher	10	44	5	6	14	49
Post Graduate Teacher	9	37	4	15	3	68
Total	20	84	10	24	10	158
Pearson Chi-Square	15.063[a]	8	.058			

It is observed that the calculated value of the Chi-Square test statistics(? 2) is 15.063 at 5 percent level of significantand 8 degree of freedom which is lesser than the tabulated value (15.507). Hence thetest fails to accept the null hypothesis and thus null hypothesis is rejected indicating that the motives of impression management are independent among the teachers of different level.

Impression management is an active self-presentation of a person aiming to enhance his image in the eyes of others. The various attributes like Dressing Sense, Intellect, Knowledge, Appearance, Personality, Social Status, Designation/position in the organisation, Economic well being and Generosity helps a lot in enhancing impression management in the eye of others. Respondents were asked to rate these **attributes to the degree they are helpful in enhancing their impression. Mean and SD were calculated using SPSS software and is presented in the table 6.**

Table 6. *The Perceived factors enhancing Impression of Faculty: A Descriptive Statistics*

	N	**Minimum**	**Maximum**	**Mean**	**Std. Deviation**
Dressing Sense	158	2.00	5.00	4.1772	.79424
Intellect	158	3.00	5.00	4.4304	.69911
Knowledge	158	2.00	5.00	4.6456	.65885
Appearance	158	2.00	5.00	3.8987	.84605
Personality	158	1.00	5.00	3.8544	.88746
Social Status	158	1.00	5.00	3.2722	1.15460
Designation/position in the organissation	158	1.00	5.00	3.4367	1.22310
Economic well being	158	1.00	5.00	3.5190	1.05106
Generosity	158	2.00	5.00	3.8481	.85345
Valid N (listwise)	158				

The result presented in the table 6 indicates that Knowledge and Intellect (mean 4.64 and 4.43) has scored highest mean as compared to other attributes. This indicates that these factors are most important for faculty members to impress others. Higher standard deviation of attribute like Designation/position in the organisation (SD 1.223) indicates that respondents view of these factors in inconsistent.

Table 7. *The Perceived factors and their impact on impression management: A Regression Analysis*

Model		Unstandardized Coefficients		Standardized Coeffients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	-1.266	.934		-1.357	.177
	Dressing Sense	.447	.133	.274	3.364	.001
	Intellect	.026	.156	.014	.167	.868
	Knowledge	.587	.161	.298	3.655	.000
	Appearance	.081	.154	.053	.522	.602
1	Personality	-.080	.126	-.055	-.640	.523
	Social Status	-.339	.126	-.302	-2.696	.008
	Designation/position in the organisation	.153	.085	.145	1.805	.073
	Economic well being	.583	.111	.473	5.231	.000
	Generosity	-.410	.111	-.270	-3.687	- 000

a. Dependent Variable: Ability to influence others

Regression analysis was carried out for estimating the relationships among variables of impression management like The various attributes like Dressing Sense, Intellect, Knowledge, Appearance, Personality, Social Status, Designation/position in the organisation, Economic well being and Generosity and their ability to impress others. It includes many techniques for modelling and analyzing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables (or 'predictors'). From the table 7is seen that Economic well being Knowledge, Dressing Sense, Designation/position in the organisation are the good predictor of impression management among the teachers.

Impression Management Techniques: A Cluster Analysis

Cluster analysis or clustering is the task of grouping a set of objects in such a way that objects in the same group (called acluster) are more similar to each other than to those in other groups (clusters). In our study confirmatory factor analysis was carried out to find the important factor of impression management. Five important techniques from the factors were identified and mean of each was calculated using SPSS software and then clustering was carried out to discover structure.

Table 8. *Final Cluster Centers*

	Cluster				
	1	2	3	4	5
Self-promotion	3.90	2.97	3.43	3.41	3.17
Exemplification	4.02	2.06	2.67	2.36	2.56
Supplication	2.51	1.95	2.74	1.90	3.16
Ingratiation	3.94	1.72	2.55	3.15	3.59
Intimidation	2.24	1.85	3.09	2.12	2.69

Table 9. *Number of Cases in each Cluster*

Cluster	1	21.000
	2	26.000
	3	19.000
	4	50.000
	5	42.000
Valid		158.000
Missing		.000

from the table no. 8 & 9, it is seen that first cluster respondents of 21 employees whose first preference of impression management techniques are Exemplification with mean 4.02 followed by Ingratiation with mean 3.94 and self promotion with mean 3.90. the second cluster is composed of responses of twenty six (26) employees whose first technique of impression management is self promotion with mean 2.79 followed by supplication with mean 1.95 and intimidation 1.85. the third cluster is of 19 employees whose first technique of impression management is self promotion with mean 3.43 followed by Intimidation 3.09 and exemplification with mean 3.267. Fourth cluster is composed of responses of fifty (50) employees whose first technique of impression management is self promotion with mean 3.43 followed by ingratiation 3.15 and exemplification 2.36 Fifth cluster is composed of 42 respondents whose first technique of impression management is ingratiation with mean 3.59 followed by self promotion 3.17 and supplication with mean of 3.16The cluster composed of maximum responses is fourth cluster in which the most preferred impression management techniques emerged as self promotion. The cluster composed of second highest responses is 42 respondents in which the most preferred impression management techniques is ingratiation. This indicates the importance of self promotion and ingratiation as important techniques of impression management techniques.

Conclusion

The study of impression management tactics adopted by the academic staff of various schools and colleges reveals self-promotion being the most widely used tactic by the school teachers followed by intimidation. On the other hand, teachers at post graduation

level use ingratiation tactic the most, followed by ingratiation. The ANOVA test concludes that there is no significant difference in the techniques adopted by various groups of the teachers.As far as motives of impression management are concerned most of the teachers pursue it to seek a growth in their careers. However teachers perceive that intellect and knowledge is the most important factor to impress others.

Limitations

The study was based in some selected schools and colleges of Dehradun, and most of the respondents were working in privately owned colleges and schools. Therefore the future research needs to conduct a study on wider basis covering large population mixed with government as well as privately owned to assess the diversity.Moreover impression management study can be done across more diverse workforce, like nationality, religion, age group and geographical locations as well.

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ANTECEDENTS TO EMPLOYEE RETENTION IN BANKING INDUSTRY: AN EMPIRICAL ENQUIRY OF INDIVIDUAL RELATED VARIABLES

Abstract

While the importance of employee retention has been acknowledged by many researchers, only a few studies have examined the topic of retention. Given that, the purpose of the present study is to examine the role of select individual-related variables to explain employee retention in Indian private banking industry. It was primarily hypothesized that overall effect of select individual variables will be insignificant on employee retention. The hypothesis was tested using primary data collected from 301 lower and middle level managers, who were working in the same bank for minimum of two years. The managers from 60 branches of two select Indian private sector banks (i.e., Axis and HDFC Bank), located in National Capital Region of India- Delhi were approached. Stratified Random Sampling was adopted to reach the sample. Multiple regression analysis was performed to analyze the predicted relationship. The results show that among seven independent variables studied, only gender and salary had a significant effect on employees on retention of their jobs. The study has implications for researchers and offers an insight into the employee characteristics that influence the retention of managers in private banks

Keywords: Employee retention, employee turnover, individual variables.

Introduction

Studies have shown that the human resource is the most valuable asset in any organization (Ejiofor and Mbachu 2001; Olowu and Adamolekun 2005). If human resource is considered as a sustainable competitive advantage, keeping valuable employees must be one of the top-priorities that any industries must adopt (Cardy and Lengnick-Hall 2011). But with the arrival of liberalization, there has been a cultural metamorphosis in the Indian society. The days of traditional loyalty to organization are considered to be old fashioned in today's scenario; job hopping or attrition is the current convention or vogue of corporate employment (Mukharjee 2010). A more common term for attrition is synonymously used as employee turnover. Attrition or employee turnover in a limited measure can, thus, bring gains to the organization in the form of new blood to the organization or voluntary removal of unproductive employees. However, if attrition goes beyond a certain level, the gains become pains. It is already acknowledged that an employees' decision to leave an organization brings high costs for the organization (Wright and Bonett 2007) such as replacement costs and loss of firm-specific human capital (Siebert and Zubanov 2009). The relatively high costs associated with high turnover have led employee turnover to be one of the most widely researched topics in organizational analyses (Dalton &Todor 1981;

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Mossholderet al. 2005). A relative concept to turnover is employee retention, which deals with keeping employees for long.

The term 'Employee Retention' first began to appear with regularity on the business literatures in the late 1970s and early 1980s. As the paradigm of lifetime employment becomes unrealistic, the question 'who stays with you?' or in other words employee retention has assumed great importance in organizations today. McKeown (2010-11) defines employee retention as "effective employee retention is a systematic effort by employers to create and foster an environment that encourages current employees to remain employed by having policies and practices in place that address their diverse needs", whereas, employee turnover is defined as departure from an organization despite being in an opportunity to stay (Mossholder et. al., 2005). Employee retention is frequently cited as one of the most significant challenges faced by employer (Byrne, cited in Boswell et al. 2008).

In literature of employee turnover, there are some similar terms used are employee attrition, job hopping and mobility. Ghiseli (1974) was the first to give a concept similar to job hopping which he termed as "hobo syndrome". He defined the hobo syndrome as 'the periodic itch to move from a job in one place to some other job in some other place'.

Further, the traditional perspective of why employees stay on a job (employee retention) includes the factor from turnover research. However, some of the authors say retention and turnover are not two sides of the same construct (Mitchell et al. 2001; Lee et al., 2004; Holtom and Inderrieden 2006; Holtomet al. 2008; Cardy and Lengnick-Hall 2011).The reasons are not opposite (Reitz and Anderson 2011) or same (Steel et al. 2002). Cardy and Lengnick-Hall (2011); Hausknechtet al. (2009); Maertz and Campion (1998), in their work mentioned considerable attention has focused on "will they go" or turnover with far less attention having been paid to "will they stay" or "why do they stay", or retention. Moreover, some authors talk about significance of studying retention just as much (Flower and Hughes 1973; Maimon and Ronen 1978; Vandenberg and Nelson 1999; Mitchellet al. 2001;Hausknechtet al. 2009) or even more (Cardy and Lengnick-Hall 2011) than studying turnover because if one knows that what is upholding retention, it can be accurately predicted when intention to leave might increase as a result of the organization overlooking a factor that enhances retention behavior in an employee (Vandenberg and Nelson 1999).

Service sector growth in India accelerated to 10.3 percent in 2014-15, on account of growth in services sub-sectors like financial services (7.9 percent) (Economic Survey 2015-16). Moreover, bank caters to the needs of agriculturalists, industrialists, traders and to all other sections of the society. Banking Industry in India is contributing vastly towards economic

growth of the country. Despite its major contribution, the banking industry has experienced lower employee retention rate *(Times of India 19July 2011; Business Today 2* May 2012) and limited research is available in the area. Besides, Reserve Bank of India (RBI) had granted universal bank licenses to two (2) players and payments bank licenses to eleven (11) players in 2015 and has given in-principle approval to ten (10) applicants for small banks. These new entrants to hire seasoned industry professionals to set up and grow their operations are offering 100 per cent salary hikes at junior level and 30-60 percent at the middle and senior levels, enhancing poaching in the private banks (Parmar2015). Whereas, banking as a core service sector depends on employees for their quality of service as they do not have physical goods (Ahmad et al. 2012).

In addition, it is recognized that professionals remain with organization for different reasons than non-professionals (Shore and Martin 1989). Further, the expenses are higher when replacing an experienced employee, calling for a need to focus more on them (Barkmanet al. 1992). So, the study focuses on those managers who had minimum two years' experience with the selecttwo banks- Axis and HDFC bank. The retail branches of these two banks included in the study were located in National Capital Region of India- Delhi.

The current study primarily aims to examine overall effect, and sole effect of select individual variables on retention of managers in select Indian private banks. In addition, the literature acknowledges individual variables with different terms, such as personal variables, demographic characteristics of employees.

Based on literature, select individual variables in the present study were gender, age, marital status, number of dependents, qualifications ,level of management, organizational tenure and salary. Organizational tenure is used to measure length of retention in the study (i.e. dependent variable).

Theoretical Framework and Hypothesis

Meta-analysis carried out by Cotton and Tuttle (1986) and a large number of research studies have identified the importance of individual or demographic factors as predictors of job turnover (e.g., Arnold and Feldman 1982; Lee and Mowday 1987). Demographic indicators serve as proxies for factors such as family responsibility or willingness to relocate, which may influence other variables like work-life balance, pay satisfaction, willingness to leave and so on. In addition, employee retention is said to be influenced by psychological, behavioral, and demographic factors (Hausknechtet al. 2008). In Indian context, a study was conducted by Kumar and Arora (2012) in business process outsourcing (BPO) sector with one of the objectives to explore the relationship between selected personal variables and the determinants of talent retention. Results show that demographic factors like age, qualification, gender etc., have significant relationship with the retention of employees. Related literature and hypothesis developed for select variables are discussed consecutively in the following section. Proposed hypothesis for relation of overall selected individual variables and employee retention was:

Hypothesis 1:

$H1_o$ There is no significant relationship between the retention and individual variables.

$H1_a$ There is a significant relationship between the retention and individual variables.

Gender

Some turnover studies include gender as a variable to examine the turnover or retention differences between men and women faculty (e.g., Smart 1990; Huang et al. 2006; Webb and Carpenter 2012). The findings have not been consistent. For example, using 1984 data, Smart (1990) found the effect of gender on intention to leave is positive, strong, and direct; tenured female faculty are more likely to leave. The result was consistent in some other studies (Cotton and Tuttle 1986). In addition, a significant impact of gender was found on how long the employee retained their jobs (Huang et al. 2006). But other studies claim that gender was not related to intention to leave or retention to stay (Webb and Carpenter 2012; Miller and Wheeler 1992). Similarly, the updated meta-analysis by Griffethet al.(2000) reveals that women's turnover rate is similar to that of men's. However, in some studies male workers show shorter retention than female workers (Khatri et al. n.d.; Stumpf and Dawley 1981). Further, it is argued by Cotton and Tuttle (1986) that gender effects on turnover are less reliable among non-managerial and nonprofessional employees, whereas they are stronger among professional versus other employees. Hence, gender appears to be a better predictor of turnover for professional jobs.

Proposed hypothesis for gender and retention was:

$H1a_o$: Gender has no significant impact on employee retention.

$H1a_a$: Gender has significant impact on employee retention.

Age

In the available literature, age has been consistently studied and found to have negative relationship with intention to quit or turnover (Mobley et al. 1979; Muchinsky and Morrow 1980; Cotton and Tuttle 1986). Age is considered to be the most consistent individual variable with its reported significant and negative relationship to turnover (Porter and Steers 1973; Mobley et al. 1979). This means younger employees intends to leave more than older employees. Based on the matching theory, younger employees have higher turnover rate as younger people have an experimental stage at the beginning of their professional life (Perez 2008). They are interested in shifting career paths, willing to relocate, have fewer family responsibilities and financial obligations (Lewis 1991; Meyer *et al*. 1979).

At the same time, age is significantly and positively related to intention to stay (Cohen and Golan 2007; Palomino et al. 2012). Usually, older employees have invested more in their organizations e.g., accumulated pay increases (Cohen and Golan 2007) and often have relatively limited alternative employment options; both of which make it more likely for them to stay. Age is also reported to be related with actual retention of employee's (Mumford and Smith 2004; Govaertset al. 2011). In fact, results examining the role of individual variables reports that only age has a significant relationship with retention (Govaerts*et al*. 2011). On the other hand, a study byHealy *et al*. (1995) found a near zero relationship between age and turnover.

In Indian context, a study conducted in five IT companies located in Delhi indicated age has a positive and significant relationship with retention. This means with the increase in age, employee retention also tends to increase (Gupta 2011).

Proposed hypothesis for age and retention was:

H1b$_o$: Age has no significant impact on employee retention.

H1b$_a$: Age has significant impact on employee retention.

Marital Status

Past studies show significant effect of marital status on employee retention and turnover. The average retention length of married employees is reported to be longer than that of unmarried employees (Barkmanet al. 1992; Huang et al. 2006). A number of research studies have suggested that married employees are less likely to quit an organization than are unmarried employees (Cotton and Tuttle 1986). Married people have longer tenure since their decisions involve consideration of their family. They make job decisions based on relatively complicated concerns of life, including kinship responsibility (Blegenet al. 1988) and children issues (Glass and Riley 1998). In Indian context, Gupta (n.d.) conducted a survey with 76 employees from a software company and 36 employees from a finance company and marital status was also examined in relation with turnover intention. Results found married employees to have a greater intention to stay (mean = 3) than the unmarried (mean = 2.48) and the difference between married and unmarried employees was found to be significant.

Proposed hypothesis for marital status and retention are:

H1c$_o$: Marital status has no significant impact on employee retention.

H1c$_a$: Marital status has significant impact on employee retention.

Number of Dependents

Unlike marital status, number of dependents has more responsibility on the employee than the spouse. It includes responsibility of children and of their own parents and siblings or any other form of relatives, who are dependent on employees. Only a few studies (such as,Sightler and Adams 1999) investigated the effect of number of dependents on employee retention and turnover; others used it as control variable (Benson and Brown 2011). Lee and Maurer (1999) found that employees with children at home and a spouse were strong predictors for leaving a position. The presence of children significantly lowers tenure (Mumford and Smith 2004).

On the other hand, number of dependents can impact otherwise. Employees with dependents are expected to feel more committed to the organization than those employees without dependents as those employees with family ties may have negotiated new psychological contracts that may lead to higher organizational commitment and job satisfaction (Scandura and Lankau 1997). But Xu (2008) reports a lack of correlation between number of dependents and the turnover intention for faculty of both genders. Moreover, a discriminant analysis of biographic characteristics of stayers and leavers from a sample of 1,053 part-time hospital employees studied number of dependents role with other individual characteristics but was found insignificant in differentiating the two groups (Sightler and Adams 1999).

Proposed hypothesis for number of dependents and retention are:

H1do: Number of dependents has no significant impact on employee retention.

H1da: Number of dependents has significant impact on employee retention

Qualifications

Researchers has largely supported the argument that education is positively related to employee turnover (e.g., Brief and Aldag 1980; Arnold and Feldman 1982; Cotton and Tuttle 1986). This indicated that the one with higher level of education (qualification) is more mobile than the one with lower education level. Relation between education and retention is assumed to be that it impacts the number of job opportunities available (e.g., Royalty 1998), and the turnover cost they are able to bear. In addition, negative relationship was found between the level of education and retention (Kyndt et al. 2009). Conversely, Hotopp (2005) reports that higher the level of education of older workers, the higher the ratio of employment retention. Another remarkable finding was that the level of education had no significant influence on retention (DeCotiis and Summers 1987; Govaerts et al. 2011).

Proposed hypothesis for qualification and gender are:

H1e$_o$: Qualification has no significant impact on employee retention.

H1e$_a$: Qualification has significant impact on employee retention

Level of Management

Seniority of an employee is identified as having a positive influence on retention (e.g., Kyndtet al. 2009; Van Hamme 2009). Govaerts et al. (2011) with a study sample of 972 employees, mainly clerks, from diverse profit and social-profit organizations found significant differences between employees with different levels of seniority. It appeared that employees with more than 20 years of seniority, the highest level among 'stayers', score highest on terms of intention to stay. Employees with less than five years seniority, the lowest level, scored the lowest. In other words, consistent with prior studies this study reports there is a positive relation between seniority and retention. A senior employee has higher experience, older than lower level employees, with better salary, satisfactory job responsibilities, with family responsibility tend to stay longer than a young employee with eagerness to experience new things, less or no family obligations, less salary and lower job responsibilities. Further, job ranks are considered important determinants of turnover (Ariff 1988).

Proposed hypothesis for level of management and retention are:

H1f$_o$: Level of management has no significant impact on employee retention.

H1f$_a$: Level of management has significant impact on employee retention

Salary

Pay is defined "as the amount of money or equivalents, distributed in return for service" (Price and Mueller 1981). The classical economics tells us that one of the major reasons employees cease for long, was pay level (Yamamoto 2013). This is supported by various research work conducted in various industries, from time to time (such as Ewalt 1991; Richardson 1994; Dickinson and Perry 2002; Taylor et al. 2010). Similarly, salary is found to be significantly and negatively associated with turnover (Khatri et al.n.d.) In other words, employees are willing to leave for a higher compensation elsewhere (Crandall et al. 1996; Bandura and Lyons 2014).

Alternatively, Matier (1990) reported that compensation is a tangible weak enticement to

remain but the strongest enticement to leave. In Indian context, right salary is found to be one of the top reasons for low retention (Ramaiya 2008). Conversely, there is also a growing consensus among researchers that high compensation alone cannot guarantee than an organization will be able to keep its key employees (Ramlall 2003). Similar result is reported by MacManus and Strunz (1993), where authors examines the reasons why physicians choose to stay in the military, specifically the U.S. Army and found a small number of respondents (18.6 percent) considering compensation as important in retention. However, the highest importance was given to obligation due to medical school/training (61 percent).

Proposed hypothesis for salary and retention are:

$H1g_o$: Salary has no significant impact on employee retention.

$H1g_a$: Salary has significant impact on employee retention.

Methods

Population of the study defines all managers (junior and middle level) working in two select Indian private sector banks (i.e. HDFC and Axis Bank) in Delhi, with altogether 204 branches in Delhi at the time of data collection.

Sampling frame is obtained in the form of list of all branches located in Delhi for the two select Indian private sector banks. The list is generated with the help of information provided on the websites of respective banks.

Sampling Design: From the list of 204 branches for HDFC and Axis, 60 branches were included in the sample, constitute 29.4% of the total number of branches. Using stratified random sampling method, Delhi region was first divided into four parts or strata- South Delhi, North Delhi, East Delhi and West Delhi and branches were randomly selectedfrom each strata, with the help of random number table. Among these 60 number of branches, 36 branches were of HDFC and 24 of Axis. Nine (9) branches from each stratum (9 x 4= 36) for HDFC and six (6) branches from each stratum (6 x 4= 24) for Axis was taken. While determining the number of branches from each bank, it was considered that the number of branches in Delhi for each bank was not equal, i.e. 82 for Axis and 122 for HDFC at the time of data collection. Hence, sample in same proportion has been taken for each bank. Further, 333 lower and middle level managers with at least two years of experience were approached and received usable questionnaires from 301 respondents, yield a response rate of 90.39 %.

A number of researches have suggested that samples sizes less than 100 or with fewer than 3:1 participant-to item ratios are generally inadequate (e.g.,Velicer and Fava 1998; Reiseet al. 2000), whereas, Gorsuch (2003) has proposed a minimum of 5:1 ratio of participants to items to be adequate for further analysis. The questionnaire used in the current study have 47 items; so following the rule mentioned above 47 x 5 = 235 respondents are expected to be a part of the study. However, final sample size of 301 fulfills that criteria.

Data Collection: The necessary data for the study was collected using primary as well as secondary sources. For primary data collection, questionnaire was administered to the lower and middle level managers with at least two years of organizational tenure for select banks. Whereas, secondary data was collected from the government publications,

newspaper, magazines, journals, books, bank websites and such. Criteria of two years organizational tenure for inclusion of respondents was made following similar kind of studies done on retention, such as Rycraft (1994) and Vispute (2013) including employees only with two years and one year experience, respectively.

Measures

Employee Retention : In the current study, it is defined as the employees' act of staying with the current organization. Employee retention in the study is operationalized as the time period for which current employees had stayed in the organization (or organizational tenure) and was measured using the statement "Years of Experience with Current Bank". Prior studies (such as Yamamoto 2013) classified retention indices by two criteria. One of the criteria is subjective vs objective, where objective indices confers resignation and organization tenureas retention indicator while intention to retain was adopted as a subjective index. Organizational tenure as objective indices was adopted in the present study. Further, organizational tenure and similar concepts have already been used in previous studies (e.g., Joseph and Kalwani 1992). Thus, its validity has been substantiated.

Individual Variables: Individual variables include those characteristics or variables related to individuals and can affect their decision to stay/leave. Gender and level of managerial employees of the respondent was coded as dichotomous variable. Age, salary per month and years of experience in baking industry of the subject was operationalized as continuous variables; marital status, number of dependents andqualification of employees of the respondent was measured as categorical variables.

Data Processing and Data Analysis: Raw data obtained in the form of questionnaire is edited and categorical variables were coded before further analysis. The Statistical Package for Social Science 16.0 (SPSS 16.0) was used to analyze the data. Data were screened for missing data using the expected maximization algorithm of the missing value analysis tool available in SPSS, considered the best method to substitute missing values in data sets with estimated values (Schafer and Graham 2002). Little Missing Completely at Random (MCAR) value was .113 (which is more than .05). Hence, data was randomly missing, which is one of the assumption for applying expected maximization technique. Variables used in the research model were age and salary have fewer than 2% of missing cases.

Analysis was started with descriptive statistical analysis, followed by Pearson correlation and multiple regression analysis for hypothesis testing. Before administering regression analysis, tests for major assumptions such as homoscedasticity (i.e., constant variance of residuals), linearity, normality, multicollinearity, and outliers were administered. The regression model met all the assumptions without any serious violations in the plots of standardized residual against standardized predicted value while checking for homoscedasticity, linearity and normality. Assumption of normality was further confirmed using histograms and normal probability (P-P) plot of standardized residual. Finally, to make sure that there are no outliers, box plots were used for quantitative personal variables (i.e., age and salary) and none were found. In addition, the degree of multicollinearity between all independent variables was examined using the variable inflation factor (VIF) (Table 3). The degree of multicollinearity between all the variables in this study (VIF ranged from 1.02 to 4.53) was found to be well below the allowable maximum (Neter *et al*.1989).

Results

Table1. *General profile of the respondents*

	Demographics	**Frequency**	**Percent**
Gender	Male	198	65.8
	Female	103	34.2
	Total	301	100.0
Age groups	20-25 Years	16	5.3
	25-30 Years	141	46.3
	30-35 Years	92	30.6
	35-40 Years	43	14.3
	40-45 Years	9	3
	Total	301	100.0
Marital Status	Single	136	45.2
	Married	165	54.8
	Total	301	100.0
Qualification	Graduation	17	5.6
	Post-Graduation	165	54.8
	Professional/Technical	116	38.5
	Others	3	1.0
	Total	301	100.0
Level of Management	Lower	145	48.2
	Middle	156	51.8
	Total	301	100.0
Number of Dependents	Nil	143	47.5
	1-3	139	46.2
	4-6	19	6.3
	Total	301	100.0
Salary	Rs. 20,000 -35,000	143	47.5
	Rs. 35,000 - 50,000	65	21.6
	Rs. 50,000 - 65,000	67	22.3
	Rs. 65,000 - 80,000	18	6.0
	Rs. 80,000 -95,000	6	2.0
	Rs. 95,000 - 1,10,000	2	0.7
	Total	301	100.0
Organizational Tenure	2-4 Years	175	58.1
	4-6 Years	88	29.2
	6-8 Years	30	10.0
	8-10 Years	8	2.7
	Total	301	100.0

Source: Primary Survey

A total number of 165 respondents (54.8 percent) had a degree of post-graduation, followed by 116 number of respondents (38.5 percent) had a technical/professional The respondents in the sample used for the study has been analyzed based on their demographic characteristics in this section. As given in Table 1, out of the 301 respondents, 198 (65.8 percent) were male and 103 (34.2 percent) were female. The mean age of participants was about 30 years with a wide range of 24-42. The most frequent age group represented in the sample was 25-30 years (46.8 percent) followed by 30-35 years (30.6 percent) and 35-40 years (14.3 percent. degree such as MBA, B.Tech. Quite a few number of participants i.e., 17 (5.6 percent) were only graduated and 3 participants (1.0 percent) had some other degree, not specified in the given options for this variable. One hundred and forty five respondents (48.2 percent) classified themselves as lower level manager, whereas 156 (51.8 percent) were middle level manager. Larger number i.e., 143 (47.5 percent) of respondents had no dependents, followed by 139 participants (46.2 percent) with 1-3 number of dependents and 19 participants (6.3 percent) with 4-6 number of dependents. The average salary for the respondents was around 41,200 with a wide range of Rs. 23,000-1,00,000. A greater number of participants i.e., 143 (47.5 percent) belonged to salary group of Rs. 20,000-35,000.

Correlations

This section reports the result of Pearson correlation between individual and dependent variable (retention). Gender ($r = 0.12$, $p < 0.05$), age ($r = 0.63$, $p < 0.001$), marital status ($r = 0.48$, $p < 0.001$), number of dependents 1-3 ($r = 0.15$, $p < 0.01$), number of dependents 4-6 ($r = 0.18$, $p < 0.01$), professional ($r = 0.25$, $p < 0.001$), level of management ($r = 0.65$, $p < 0.001$) and salary ($r = 0.74$, $p < 0.001$) had significant and positive correlations with retention. Whereas, number of dependents (nil) ($r = -0.24$, $p < 0.001$) and post-graduation ($r = -0.24$, $p < 0.001$) were found significantly and negatively correlated with retention. Gender, marital status, number of dependents, qualification and level of management were treated as dummy variable. Thus, the correlations mean that female stay longer than male; married employees had been in firm for longer period than single; in case of number of dependents, employees with no (nil) dependents stay for a shorter period and employees with 1-3 and 4-6 number of dependents stay around in organization for long. Considering education, post graduates do not stay for long but those with professional degree, such as MBA stay longer; employees from middle level of management had been in bank longer than lower level of management. But correlations of age and salary with retention indicates that older employees stayed longer in the bank and increase in salary enhances retention of employees.

Table 2. *Correlations for individual and dependent variables*

	Variables	*Correlations*
1.	Gender (female)	0.12*
2.	Age	0.63***
3.	Marital Status (married)	0.48***

	Variables	Correlations
4.	Number of Dependents (nil)	-0.24***
5.	Number of Dependents 1-3	0.15**
6.	Number of Dependents 4-6	0.18**
7.	Graduation	-0.06NS
8.	Post-Graduation	-0.24***
9.	Professional/Technical	0.25***
10.	Others	0.08NS
11.	Level of Management(middle)	0.65***
12.	Salary	0.74***

Source: Researcher's calculation
$*p < 0.05; **p < 0.01; ***p < 0.001; NS = Not significant$

Test of Hypothesis

To investigate the hypothesized relationships between select individual variables and retention, a regression model (model 1) was created with the individual variables as independent variables and retention as dependent variable; and multiple regression analysis was conducted on the same.

Hypothesis 1a: As shown in the Table 3, gender is significantly and positively related (? = 0.132, p< 0.001) to retention of an employee. Hence, null hypothesis is rejected and alternative is accepted that there is a significant effect of gender on retention of employees. Further, gender was treated as a dummy variable (male as reference category), thus it means female retain in the firm longer than male.

Hypothesis 1b: In multiple regression result (Table 3) age has a statistically non-significant regression coefficient (? = 0.00, ns). Thus based on results, the study failed to reject the null hypothesis.

Hypothesis 1c: Findings (in Table 3) reported a statistically non-significant result (? = 0.08, ns). Hence, due to lack of evidences failed to reject the null hypothesis.

Hypothesis 1d: Result in Table 3 shows non-significant regression estimates (? = 0.04, ns, number of dependents 1-3; ? = -0.02, ns, number of dependents 4-6). This indicates that, current study failed to reject the null hypothesis.

Hypothesis 1e:As shown in Table 3, multiple regression results are statistically insignificant (? = -0.01, ns, post-graduation;? = 0.08, ns, professional; ? = 0.05, ns, others) for the hypothesis as well. Hence, study failed to reject the null hypothesis.

Hypothesis 1f: Multiple regression result shows statistically non-significant result (? = 0.08, ns) (Table 3). This means that there is not enough evidence to reject the null hypothesis, therefore based on the obtained result in the study, failed to reject the null hypothesis.

Hypothesis 1g:Resulton multiple regression analysis, reported salary is significantly and positively related to retention of employees (? = 0.59, p <0.001). Thus, based on the result

null hypothesis is rejected and alternative hypothesis is accepted that there is a significant impact of salary on retention decision of employees.

Hypothesis 1 stated that there is no significant relationship between individual variables and employee retention. To test the hypothesis, multiple regression analysis was conducted, for examining overall effect of individual variables on employee retention and regression model was found statistically significant (F = 4.91, p< 0.001). Hence, null hypothesis is rejected and alternative hypothesis is accepted that individual variables (either all or at least one) has significant relationship with employee retention. Moreover, value of multiple R is 0.51 and the value of R2 (multiple coefficient of determination) is 0.34 in the model. It states that 34 percent of the variances in retention is explained by individual variables.

Table 3. *Multiple regression results*

Individual Variables	Variance Inflation Facotr (VIF)	Regression Model B
Gender (female)	1.29	0.13***
Age	4.53	0.00NS
Marital Status (married)	4.11	0.08NS
Number of Dependents 1-3	2.57	0.03NS
Number of Dependents 4-6	1.97	-0.02NS
Post-Graduation	1.57	-0.01NS
Professional/Technical	4.01	0.08NS
Others	4.12	0.05NS
Level of Management(middle)	1.02	0.08NS
Salary	3.33	0.59***
Multiple R		0.51
R2		0.34
Adjusted R2		0.32
F		4.91***

Source: Researcher's calculation

***p < 0.001; NS= Not significant

Dummy variables coding- Gender: male = 0, female =1; Marital status: single = 0, married = 1; Number of dependents: nil=0, 1-3= 1, 4-6 =1; Qualification: graduation = 0, post-graduation = 1, professional =1, others =1, Level of Management: lower = 0, middle = 1.

Table 4: *Summary of Hypothesis Testing*

Hypothesis	Result	Statement supported
Hypothesis 1	Rejected the null hypothesis	
Hypothesis 1a	Rejected the null hypothesis"Female retain in the firm longer than	

male."

Hypothesis 1b	Failed to reject the null hypothesis
Hypothesis 1c	Failed to reject the null hypothesis
Hypothesis 1d	Failed to reject the null hypothesis
Hypothesis 1e	Failed to reject the null hypothesis
Hypothesis 1f	Failed to reject the null hypothesis

Hypothesis 1g   Rejected the null hypothesis"Increase in salary improve employee retention"

Discussion

Contrary to the findings of past research studies (such as Holtom and Inderrieden 2006; Vos and Meganck 2009) that female are more likely to quit than male, the current study reports that female are staying longer than male in the bank. Similar results are found in part time workers in a hospital workforce (Sightler and Adams 1999). With family ties or gender biasness in our country, women may find it difficult to change the firm or might have fewer opportunities comparing to males. Family situations such as kid's school or house near to the working place might cease the movement of women employees. Alternatively, by nature women are more stable, rather than quitting for every small reason they tend to stay around in the firm for longer than men. Age of an employee shows no significant relation with retention in the study. In other words, age does not predict retention. Findings are similar with a systematic review by DePanfilis and Zlotnik (2008). Additionally, a few studies did not find age to be a significant predictor of turnover (Abelson 1987). Theoretically, based on matching theory and literature showing significant effect of age it was expected that age will be a significant predictor of retention. The unusual result might be cause of narrow range of age (24-42 years) in the sample and many of the young employees with higher qualification were working in a better position than less qualified older employees. With higher position comes better salary, more satisfaction and hence irrespective of the age employees stay; as many other variables can affect the choice of staying or leaving.

Contrary to the reports of prior studies that retention is found to be longer for married than for single respondents (Mumford and Smith 2004; Barkmanet al. 1992), the current study shows that no significant role of being married or single has on retention of employees. This finding appears to be consistent with Zhou and Volkwein (2004) and Xu (2008). Further, study disapproves any significant impact of number of dependents of an employee with retention. Similar results were found in Sightler and Adams (1999). Employees with dependents (in the form of spouse, children or parents) are expected to stay as their commitment goes beyond their own self. But there might be variables with better predictive power than the concerned variables of marital status and number of dependents. Decision to stay or leave in the firm is a complex phenomenon as influenced by a number of predictor variables.

Prior studies have found a significant (usually negative) relation between education (qualification) and turnover (Porter et al. 1974). Furthermore, a negative relationship between the level of education and retention is reported by Kyndtet al. (2009). This study

could not confirm any of their results. The study found no significant association of retention with qualification (or level of education). The result is in consent with Rosenthal et al. (1998) and Govaerts et al. (2011).

Further, the findings on level of management in present study is not consistent with much of the literature that reports that higher level employees are less likely to leave (Sightler and Adams 1999) and are positively related with retention (Van Hamme 2009). The study reports no significant impact of differences in level of management on the length of their stay in the banks. In other words, level of management is not a predictor of retention of managers in case of Indian private sector banks.

As found in previous studies (Huang et al. 2006, Taylor et al. 2006), pay level has a significant effect on retention period of an employee. In fact, based on regression estimates (?), it can be stated that salary of an employee had maximum contribution among all the individual variables in predicting retention of managers in bank. The result is no surprise in Indian working environment where higher salary still plays a major role to curb the employee turnover rate.

Summary and Conclusion

Some of the findings were not consistent with major part of the literature, e.g. no significant relation between age and retention, marital status and retention, number of dependents and retention, qualification and retention and level of management with retention.But every sample is unique and professional employees (i.e., managers) are a unique sample. Hence, reasons to stay for long in bank can be entirely different with those non-professional employees in banks or in other industries. In addition, there are a list of independent variables not included in the study due to various constraints and the findings can be influenced by those variables. Although, salary is still a major predictor for retention of managers in Indian private sector banks indicating if pay level is high employees are predicted to stay longer in the bank, keeping effect of all other individual variables constant. Apart from salary, gender differences had a significant impact on retention of mangers in Indian private sector banks. Female managers tend to stay longer in banks than male managers. Thus, individually only gender and salary were found to have significant relation with retention. Moreover, a significant relationship was found between the entire individual variables and retention which indicates that either all of the independent variables or at least one of them has significant relation with retention. In this case, salary and gender were those two independent variables. The study does not discard the importance of demographic variables in retention of bank managers but their contribution in predicting retention is minimal for this particular study.

Limitations of the Study

Though the present study contributes to existing literature, it has certain limitations. First and foremost, time and resource constraints forced researcher to limit the sample size and area covered in the study. Another major limitation concerns generalizability of the findings, as study examined managerial/executive level employees in the private banking industry which is highly selected group of employees. The results may not bereflective of a company in another industry/sector, or even a bank which is not private.

Further, the study has considered only selected variables while assessing retention. There might have been some variables not included in the study (extraneous variables) and have higher impact on retention or other independent variables.

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GST AND ITS IMPACT ON THE
ONLINE MARKETPLACE IN INDIA

Abstract

GST or The Goods and Services Tax which is set to roll out from 1st of July, 2017 nationwide in India is being touted as the single biggest indirect tax reform in the Indian taxation system since independence .And it's expected to make the tax structure simple with a seamless credit chain. GST is the integrated indirect tax which is levied on the supply of goods and services. There will be dual GST with the Center and States simultaneously to be levied it on the common tax base. The CGST and SGST will be charged on intra-state supplies whereas IGST(Integrated GST) will be charged on inter-state supplies. The small businesses having turnover up to Rs.20 lakhs are exempted from registering under GST. All other taxpayers having a turnover of more than Rs.20 lakhs (Rs.10 lakhs in case of northeast states) are required to register and pay GST. The GST is based on the "One market, one tax" concept which should be a welcome step for online marketplace. In the last decade or so, e-commerce has seen an astronomical growth and India is pegged as the second biggest market for e-commerce after China. The e-commerce market in the country is expected to exceed the $100 billion mark by 2020. The rapid growth in this sector has resulted in conflicts regarding multiple-tax issues along with other challenges such as rising competition, dwindling profit margins etc. They are also facing litigation owing to their innovative business models. The Government is trying to make the tax structure simple by introducing GST and promoting trade, while keeping a close watch on tax evasion.

Keywords: Online marketplace, e-retail, GST, Central government, State government

Introduction

E-commerce is making rapid strides in today's world. In simple words, e-commerce can be described as the carrying out of any commercial activity using Internet as a medium. The scope of e-commerce is dynamic and ever growing. The online marketplace business model has been the biggest success in India, given the foreign direct investment (FDI) and regulatory norms currently in place. Multiple indirect taxes are currently imposed on transactions in India. Some taxes are charged and collected by the central government, while others are collected by state governments. Moreover, due to the dynamic and complex business models which the e-commerce players use, the way various e-commerce transactions are treated under the prevailing indirect tax regime is full of ambiguities and disputes. Considering the issues plaguing the current indirect tax regime, India is all set to usher in a comprehensive indirect tax regime under the goods and services tax (GST). Since the introduction of the GST regime will affect the very fundamentals of how

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business is carried out in India, it is essential to take a look at the impact of GST on the online marketplace.

What is GST?

The goods and services tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services. It was introduced as The Constitution (One Hundred and First Amendment) Act 2016, following the passage of Constitution's 101st Amendment Bill. The GST is governed by GST Council and its Chairman is Union Finance Minister of India. Goods and services tax (GST) will subsume various central and state indirect taxes as well as other levies which are currently applicable on inter-state transportation of goods which are also likely to be done away with in GST regime. Let us take a look at the various taxes which will be subsumed by the GST-

Central taxes and levies:

i) Additional customs duty (ACD)

ii) Special additional duty of customs (SAD)

iii) Excise duty

iv) Service tax

v) Central sales tax (CST)

vi) Centre- levied surcharge and cess related to supply of goods and services

State taxes and levies:

i) Value added tax (VAT)

ii) Other state levies such as luxury tax, octroi, entry tax and purchase tax

iii) State-levied surcharge and cess related to the supply of goods and services

iv) Taxes on lottery, betting and gambling

There are certain taxes which have been kept outside the purview of the GST. They are mentioned below-

i) Basic customs duty (BCD)

ii)Stamp duty

iii) Taxes and duties on electricity

iv)   State excise duty

v)   Taxes and duties on alcohol for human consumption and amusement/ entertainment/ petroleum products until recommended otherwise by the GST council.

The GST council in its meeting in November, 2016 had agreed to a four rate structure under GST of 5, 12, 18 and 28 percent. While most services will be taxed at a higher rate of 18 per cent as against the current rate of 15 per cent, exceptions such as road transport are likely to continue which will be taxed at the existing rate that includes abatement. Some including education, health care and even pilgrimage related services will continue to enjoy exemptions. Experts also noted that the government has retained the power to levy cess on additional items under GST.

What is an online marketplace?

An online marketplace (or online e-commerce marketplace) is a type of e-commerce site where product or service information is provided by multiple third parties, whereas transactions are processed by the marketplace operator. Online marketplaces are the primary type of multichannel ecommerce and can be described as a "simple and convenient portal" to streamline the production process. In an online marketplace, consumer transactions are processed by the marketplace operator and then delivered and fulfilled by the participating retailers or wholesalers (often called drop shipping). Other capabilities might include auctioning (forward or reverse), catalogs, ordering, wanted advertisement, trading exchange functionality and capabilities like RFQ, RFI or RFP. These types of sites allow users to register and sell single items to a large number of items for a "post-selling" fee. In general, because marketplaces aggregate products from a wide array of providers, selection is usually more wide, and availability is higher than in vendor-specific online retail stores. Also prices may be more competitive. In the last few years,the online marketplace has thrived in India. Some have a wide variety of general interest products that cater to almost all the needs of the consumers, however, some are consumer specific and cater to a particular segment only. Not only is the platform for selling online, but the user interface and user experience too matter. People tend to log on to online marketplaces that are organized and the products are much more accessible to them.

Some of the prominent marketplaces in India are Flipkart, Amazon, Snapdeal, Paytm, HomeShop18, Shopclues, Myntra and Jabong. While **Morgan-Stanley** estimates the market size up to $120 billion in 2020, the **UBS Group** puts this number to $48-60 billion.

The Challenges, the online marketplaces are grappling with under present tax dispensation:

I.   There is a considerable amount of grey area regarding payments of VAT, CST and entry tax. The local tax authorities sometimes misconstrue the activities of online marketplaces as being carried out by sellers. Even though the involvement of online marketplaces in the transaction process is limited to only facilitation and sometimes holding the inventories in their fulfillment centres and forwarding the consignments to the buyers by packing or repacking, the authorities insist that they are dealers and hence liable to pay taxes and meet all other norms.

II. Under normal circumstances, a dealer in a state has the responsibility to obtain waybills from VAT authorities either manually or through online process. Even though the online marketplaces are not dealers, since there are a number of interstate movements (procurement from vendors, supply to customers), the compliance requirements need to be minutely tracked and movements need to be facilitated with proper documentation. E-tail transactions are generally of low value. Hence, it is not practically feasible to carry out elaborate compliance processes for each consignment of low-value items.

III. Entry tax is imposed on the physical entry of goods into a defined 'local area' within a particular state. The entry tax rules of various states define the 'importer' or 'dealer' as responsible to get registered under entry tax laws and pay the applicable tax. In view of the definition of 'dealer' under different state entry tax rules, it is possible that an online marketplace and its associated fulfillment centres in a state might qualify as an 'importer' in some states. In such cases, online marketplaces are expected to obtain registration, deposit tax and carry out all related compliance. At present, there is ambiguity regarding the entry tax treatment of these transactions in various states.

IV. A number of states have recently started making provisions for furnishing of information by e-commerce players. There are no provisions under most VAT legislations that correctly define online transactions. VAT authorities have started to demand vast information under the assumption that this information will help tax evasion. The fluctuations regarding statutory obligations in each state lead to a high compliance cost and waste of valuable time for online marketplaces.

V. VAT/CST is required to be paid on the sale of goods. The sale price on which such VAT/ CST is payable is defined under different VAT legislation. Generally, sale price means the amount of valuable consideration paid or payable to a dealer for carrying out any sale, including any amount charged for anything done by the seller in respect of the goods prior to delivery (transportation, installation, etc.). Practically, the cost of the huge discounts offered by vendors on e-commerce sites is borne by the e-commerce players. VAT authorities are nowadays demanding tax on the offered discount by treating the amount being paid by the e-commerce players as part of the sale price for goods on behalf of the customers. Hence, the authorities intend to tax the loss incurred on trading of goods.

VI. Generally, there are specific provisions under state VAT regulations for adjustments to be made in taxable turnover on account of sales returns, cancellations, etc. E-commerce players frequently offer products on cash on delivery (COD) mode of payment to customers. According to the COD rules, a customer has to make payment only when the goods are physically in his/her hand and he/she is satisfied with the delivered product. This results in a number of cases when sale of goods does not eventually take place because the customer is either not satisfied with the product and refuses to pay or is not reachable at the address provided. Further, since there is a time lag between order placing and product delivery, some customers might cancel the order before delivery. Given the above situation, the amount of sales returns and order cancellations in the e-commerce industry is pretty high. There are also returns of small sized products and cancellations rather than bulk ones, as in the case of traditional sellers. In these situations, it is difficult to maintain records intact for each case in each

state as well as to properly claim adjustment for such returns from the VAT authorities. Even when such returns are properly adjusted, substantiating the amount of deduction claimed as sales returns at the time of VAT assessments becomes cumbersome.

VII. Sale of goods attracts VAT/CST and 'goods', as defined under various VAT legislations, include tangibles as well as intangible items. Some states have specific entries for taxing intangibles. While the taxing of intangibles that are supplied over a medium is relatively easier, there are no specific provisions for the download of digital contents online. Digital contents such as softwares, e-books and music albums is often sold over the Internet. Generally, once this content is purchased from the portal, it can be accessed by the customer from any device by simply downloading after entering the login credentials. This mode of delivery is peculiar to the e-commerce industry. While there are no clear laws in this regard, given that such digital content is capable of being bought and sold, transmitted and delivered, and has inherent utility, such content may be deemed to be goods liable to VAT/CST. Further, if a position that VAT/CST is payable is adopted, then there will be legitimate concerns regarding who is liable to pay VAT/CST, the appropriate state (location of seller vs location of server vs location of buyer) and compliance to be undertaken.

VIII. VAT/CST is payable at the prevailing rate applicable on the sale of goods. The applicable rate is based on the exact nature and description of the goods sold. Further, composite supplies of both goods and services may qualify as 'works contracts' which results in specific tax treatment under indirect taxes. Similar to traditional retail sales, a bundle of two or more related goods (or goods plus services) is offered as a combo offer for a single consideration by sellers over online marketplaces. In case the goods bundled together under the combo offer attract VAT/CST at different rates, the authorities may impose tax at the higher rate, resulting in an increase in the overall cost of the product. In the absence of any reasonable basis of bifurcation of the consideration, in many cases, tax is being paid at the highest applicable rate to avoid litigation, leading to an increased cost. Further, if goods and services are being combined under these combo offers, such offers should be clearly analysed to ascertain whether they qualify as works contracts.

IX. CST is payable on the interstate movement of goods. While CST is a central tax, it is administered by the state VAT authorities. Thus, CST has to be deposited with the VAT authorities of the concerned state, as determined under the Central Sales Tax Act, 1956. The concerned state is generally the state where the movement of goods commences. Given that online marketplaces cater to the entire country (as well as overseas), movement of goods happens all around India. Further, unlike conventional businesses, the number of unique transactions is also high. Given this fact, it is difficult to pinpoint the 'appropriate state' to discharge VAT/CST as every single transaction needs to be carefully analysed. In cases where goods are moved from one state to another before finally being dispatched to the customer, it is essential to have clarity on which tax is chargeable on the transaction and in which state.

X. Input VAT is creditable against output VAT/CST subject to the prescribed conditions and procedural requirements in each state. Given the complex transaction structures, credit blockage at each stage of the transaction translates into higher cost for the online marketplace as well as increased cost for the final consumer.

XI.   Service tax is levied on an activity for a consideration (unless specifically exempted or excluded). Further, service tax is payable on services relating to access of online information, database access and retrieval services, as well as the development and supply of digital content and software. In the case of digital content, the definitions of 'goods' and 'services' overlap. Practically, online marketplaces end up paying both VAT/CST as well as service tax on transactions in digital content, leading to double taxation. The taxability of transactions in digital content is subject to extensive dispute and litigation. Whether the content is standardised or customised, service tax vis-à-vis VAT and location of transfer of content are leading to dual taxation of such transactions.

XII. Service tax paid on input services is only eligible against output service tax (or excise duty for a manufacturer), subject to the fulfillment of conditions prescribed under the Central Value Added Tax (CENVAT) Credit Rules, 2004. Given the complex transaction structures, credit blockage at each stage of the transaction results in higher cost for the e-commerce player as well as for the final consumer.

XIII. Excise duty is payable on the manufacture of goods in India. Under excise legislation, the definition of the term 'manufacture' includes a number of activities. Further, activities such as packing, repacking and labeling with respect to certain goods have been 'deemed' to be manufactured under excise legislation. Thus, any entity undertaking an activity that amounts to manufacture is liable to pay excise duty at the applicable rate on any such activity and to undertake all related compliance in this regard. Excise duty in the case of manufacture of certain goods covered by the Legal Metrology Act, 2009, is based on the maximum retail price (MRP). The activities undertaken need to be analysed in light of the definition of manufacture under excise legislation. If such activities qualify as manufacture, then online marketplaces will be required to obtain excise registration and undertake related compliance. The onus of compliance with the Legal Metrology Act is on the vendors in the case of marketplace and warehousing models. However, online marketplaces are still expected to extend full cooperation to the authorities under the Legal Metrology Act and to exercise due diligence from this perspective, if required. Thus, even if no excise duty is payable, it adds to the compliance burden of e-commerce players.

XIV. Changes in taxation system regarding online marketplaces post GST implementation:

XV.   Under the present tax structure, different states impose different VAT rates on the same goods. Online marketplaces register sellers who need to charge lower taxes thus making the product cheaper than local retail prices. The e-tailers often enter into exclusive tie-ups to derive advantages from tax arbitrage. Post GST, there will be standard tax rates for each product and tax arbitrage will not be possible, thus bringing e-tailers and offline sellers at par in terms of costing and pricing.

XVI. Under GST, online marketplaces will have to deduct 1% tax while making payments to sellers registered on their portal. This Tax Collected at Source (TCS) will be handed over as collection towards GST to the government. This rule however is not applicable to offline retailers. With TCS, capital will be locked away for periods between 20-50 days depending on the transaction date. The significant impact on the cash flow will force smaller firms to seek additional working capital or ignore the e-commerce marketplace altogether, as it may not offer any convenience and benefits.

XVII. While GST registration in normal circumstances is mandatory where turnover is Rs. 20 lakh or more, if a trader wishes to sell through online portals he needs to get registered irrespective of turnover. Merchants without proper registration will be forced to move out of the online system. Now, all sellers will be required to be registered and charge taxes at prevailing standard rates, creating a level playing field for all online sellers in terms of product pricing.

XVIII. Majority of the products sold online carry a return date of up to 30 days which translates into about 15 - 20 million transactions per month and the returns and refunds for these have to be done with utmost care. The returns are required to be filed monthly now by both parties and refund adjustment will need special attention impacting tax liability.

XIX. The output rate of tax could be higher for the company compared to the current service tax rate. However, the companies should have a higher credit pool than they do in the current regime, which could reduce the prices of their services.

XX. Currently, e-commerce companies discharge their output service tax liability through centralised registration. But under GST, e-commerce companies would have to obtain registration in each state where they have their place of business, resulting in increased compliances.

Controversy involving the 1% Tax collection at source (TCS) imposed on online marketplace transactions:

E-commerce companies will have to mandatorily deduct up to 1 per cent TCS (Tax Collected at Source) while making payments to their suppliers under the GST regime. The model Goods and Services Tax (GST) law, finalized by the GST Council, makes a provision for 1 per cent TCS to be deducted by the e-commerce operators. The model law states that every electronic commerce operator, not being an agent, shall collect up to one per cent TCS, as may be notified on the recommendations of the Council, of the value of taxable supplies made through it by other suppliers where the consideration with respect to such supplies is to be collected by the operator. Experts had raised concerns saying this would mean that a similar amount will have to be levied on inter-state movement of goods, taking the total TCS deduction to 2 per cent. Industry has been expressing concern over the TCS provisions saying it would mean a lock-in of capital which will dissuade companies from selling through online aggregators. E-commerce companies will also have to file returns on the TCS deductions, but in case of return of goods by the consumer, these companies will not have to deduct TCS as there is no actual sale.

Conclusion

Rollout of GST will definitely usher in a new era in the Indian taxation system. The dream of "one market-one tax" will finally become a reality. Even though the GST in the present form is not perfect by any stretch of imagination, the apparent benefit the industries are going to derive out of its implementation is immense. Under GST law, it is acknowledged that merchants can make supplies from warehouses owned by e-commerce operators. The provision states that government officials of the rank of Joint Commissioner or above can demand information about the stock of goods held by e-commerce operators on behalf of merchants. Ideally, we should see tax issues arising out of e-commerce companies fulfilling orders to disappear. The headache associated with inter-state transport of goods will be a

thing of the past. Today, e-commerce companies in India are mired in a plethora of taxes, including VAT, CST, Excise, Service Tax, and TDS, with multiple taxes applicable on any given transaction. The implementation of GST will make the taxation system simple by subsuming all of them. Hence, for online marketplaces which under the present taxation regime is pretty vaguely defined, will get a much needed boost.

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A STUDY ON PERFORMANCE OF FOREIGN BANKS IN INDIA

ABSTRACT

The foreign banks were originally called "Exchange Banks". Foreign banks have been operating in India since 1860s when Comptoir d'Escompte de Paris (which later combined with three other banks to form BNP Paribas) set up a branch in Kolkata. Standard Chartered started its Indian operations by opening its first branch in Kolkata in April 1858. Hong Kong and Shanghai Banking Corporation Ltd. (HSBC) has been in India since 1853 and ABN Amro Holding NV came to India in 1920. Citi Bank NA and JP Morgan entered India in 1902. In February 2005, the RBI released a Roadmap for the Presence of Foreign Banks in India along with guidelines on ownership and governance in private sector banks. The period from 2005 to 2009 was to be utilised to strengthen the domestic banking sector. The special emphasis was laid on enabling Indian banks to compete in international arena. Foreign banks were to be encouraged to grow their presence in the country after 2009. After six years of laying down the roadmap for the foreign banks in India, RBI in 2011 in its Discussion Paper envisaged almost doubling their role in Indian banking sector that it will "incentivize" foreign firms to operate through wholly owned subsidiaries (wos).

The modus of operation of foreign banks is: (i) maintaining a correspondence office; (ii) representative office; (iii) affiliate bank; (iv) joint venture; (v) banking subsidiary and (vi) foreign bank branch. Foreign banks in India were hoping for a liberal treatment in terms of branch expansion in fully owned subsidiary regime, hoping to expand in some of the major metros and towns. However, the proposed new policy will be compatible with rules set out by the WTO which has mandated that at least 12 new branches should be allowed to be opened every year. India has been liberal in this respect approving on an average 18 branches of foreign banks operating in India.

Key words: Foreign Banks, affiliate, subsidiaries and branches

INTRODUCTION

The Indian banking system has witnessed a significant transformation in recent years. With the institution of financial sector reforms: (i) policy changes are brought in, which aim at enhancing the competition and thus includes permitting new banks and allowing more foreign banks to operate in the country; (ii) measures aimed at improving the financial health and soundness of banks by introducing appropriate prudential norms and measures for providing more freedom to the banking system: interest rate deregulation, reduction in Statutory Liquidity Ratio (SLR), etc. In February 2005, RBI had stated in its "Road Map for Presence of Foreign Banks in India" that it would revisit the policy in 2009

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and explore allowing Foreign banks a larger play locally (giving national treatments and market access within WTO norms) subject to interests of all stakeholders. RBI has been much more liberal in its policies towards foreign banks vis-à-vis developed countries. Prior to commencement of reforms, the existence of foreign banks was very limited. As on 2002, there were 40 foreign banks operating in India with 203 branches. The number of foreign banks was reduced to 35, but the number branches marginally increased to 207 in 2003. The presence of foreign banks further reduced to 31 in 2005, and the number of branches increased to 245. It slightly increased to 31 banks and 293 branches by 2009. In the next three years, the number of foreign banks increased to 41 and the branches to 323. As on March 2013, there were 43 foreign banks with 331 branches operating in India. So, there is a fluctuating trend. This could be attributed to the factors like (a) mergers and acquisitions, (b) bilateral trade issues; (c) loss making units, (d) tax issues and (v) difficult environment. Thus, the foreign banks in India as the partner of country's development.

OBJECTIVES OF THE STUDY:

India's banking sector has become one of the most preferred banking destinations in the world. It is almost fifteen years since the Indian banking sector was liberalised, paradigm shift has taken place, with the entry of private and foreign banks. The present study has been undertaken with the following objectives:

1.To study the reform perspective of operation of foreign banks in India;

2.To study and analyse the trends and growth of foreign banks in India during 2014-2015;

METHODOLOGY FOR COLLECTION OF DATA AND ANALYSIS

The data for the study have been collected mainly from secondary sources comprising various books, periodicals, journals, business newspapers etc. For the purpose of the analysis, detailed information was collected from the various volumes of published materials of the banks i.e. Trend and Progress of Banking in India and Performance analysis of foreign banks published by the Reserve Bank of India and Indian Bank Association (IBA), Mumbai. For the findings of the study, statistical tools like ratios, percentages, arithmetic averages, trends have been used in the study. Tables and graphs have been used to substantiate the inferences made in the study.

DISCUSSION

Total Assets

The total assets refer to net fixed assets and current assets. The growth of total assets

indicates a firm's ability to produce large volume of sales and to earn larger revenue. Thus, there is a positive presence of foreign banks in India in terms of assets added in technological improvements. Table 01 depicts the total assets of foreign banks during 2014-15 to 2015-16. The table reveals that the negative growth of foreign banks Barclays Bank (-3.6%), Citi bank(-4.3%),Credit Agricole(-13.3%), DBS bank(-21.0%) and RBS(-6.6%) during this period. The positive growth of foreign banks can be seen in Bank of Nova Scotia(44%), BNP Paribas(0.4%), HSBC(4.4%), Mizuho Corporate Bank(8.4%) and Standard Chartered bank(0.6%) during this period.

Table01 : Total assets of selected foreign banks during 2014-15 to 2015-16

Bank	FY 2014 (In Crore)	FY 2015 (In Crore)	% Chg
Bank of Nova Scotia	10,500.2	10,960.1	4.4
Bank of Tokyo-Mitsubishi	15,460.8	16,644.2	7.7
Barclays Bank	33,379.3	32,187.6	-3.6
BNP Paribas	28,758.5	28,885.1	0.4
Citi Bank	1,45,152.3	1,38,895.7	-4.3
Credit Agricole	15,034.7	13,033.0	-13.3
DBS Bank	45,462.7	35,936.1	-21.0
HSBC	1,31,929.4	1,37,684.8	4.4
Mizuho Corporate Bank	10,263.0	11,126.6	8.4
Royal Bank of Scotland	20,366.3	19,019.3	-6.6
Standard Chartered Bank	1,31,062.2	1,31,802.7	0.6

Source: Respective banks balance sheet

Fig.01 stated the change of Assets
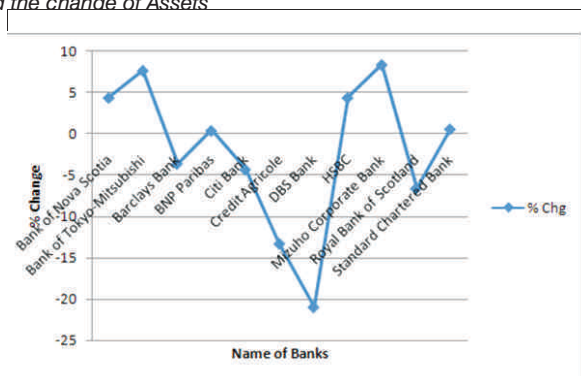
Growth Advances

Advances and investments are the two main sources of income of banks. The choice between the two alternative assets depends on their relative risks and return. Table 02 stated the growth of advances of foreign banks as the highest in Barclays bank(64.7%), Credit Agricole(62.0%), Bank of Nova Scotia(30.8%), HSBC(15.9%) and BNP Paribas(14.2%) respectively. Further, the negative growth of advances as shown in Mizuho Corporate bank(-6.1%) and Bank of Tokyo Mitsubishi(-2.4%) respectively. Thus, most banks use the services of marketing organizations to attract customers. Aggressive marketing, particularly in the home loan sector has been increasing and has led to an increase in their share of advances. foreign

Table02 : Total Advances of selected foreign banks during 2014-15 to 2015-16.

Bank	FY 2014 (In Crore)	FY 2015 (In Crore)	% Chg
Bank of Nova Scotia	4,673.8	6,111.1	30.8
Bank of Tokyo-Mistsubishi	5,833.0	5,691.7	-2.4
Barclays Bank	8,100.0	13,337.6	64.7
BNP Paribas	12,431.3	14,199.3	14.2
Citi Bank	56,519.3	60,896.3	7.7
Credit Agricole	2,607.6	4,224.5	62.0
DBS Bank	15,154.8	15,844.9	4.6
HSBC	40,218.0	46,617.2	15.9
Mizuho Corporate Bank	7,151.5	6,716.0	-6.1
Royal Bank of Scotland	11,135.2	11,150.7	0.1
Standard Chartered Bank	68,422.7	68,402.0	0.0

Source: *Respective banks balance sheet*

Fig.02 stated the change of Advances
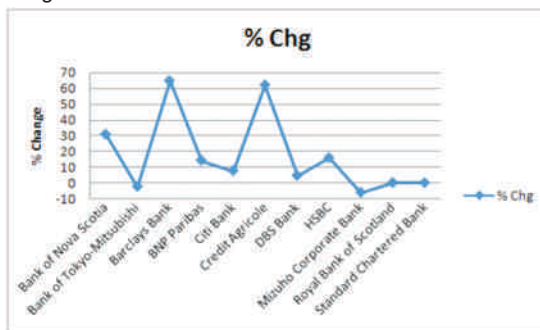
Growth: Deposits

The important element of conventional banking business is to accept deposits from the customers. Deposits refer to money entrusted by the customers with the banks. Deposits mobilized by the banks are utilized for (a) Making loans and advances (b) investments in government and other approved securities in fulfilment of the liquidity stipulations and (c) investment in commercial paper, shares, debentures etc. up to a stipulated ceiling. Deposits are total deposits, which include demand deposits, saving bank deposits and term deposits. The table 03 stated the total deposits of selected foreign banks during 2014-15 to 2015-16. The highest positive growth of deposits of selected foreign banks i.e. Bank of Nova Scotia(52.5%), Bank of Tokyo-Mitsubishi(26.5%) and Barclays Bank(20.3%) respectively. The highest negative growth of DBS bank(-0.6%), Royal Bank of Scotland(-9.6) respectively.

Table03 : Total Deposits of selected foreign banks during 2014-15 to 2015-16.

Bank	FY 2014 (In Crore)	FY 2015 (In Crore)	% Chg
Bank of Nova Scotia	3,267.6	4,983.1	52.5
Bank of Tokyo Mitsubishi	-4,828.3	6,109.5	26.5
Barclays Bank	10,859.1	13,063.6	20.3
BNP Paribas	12,437.7	14,324.6	15.2
Citi Bank	78,313.0	88,912.0	13.5
Credit Agricole	1,040.9	1,051.7	1.0
DBS Bank	17,506.9	17,395.0	-0.6
HSBC	71,72,7.5	85,255.5	18.9
Mizuho Corporate Bank	1,939.4	2,879.2	48.5
Royal Bank of Scotland	11,625.7	10,512.7	-9.6
Standard Chartered Bank	72,111.5	72,843.3	1.0

Source: *Respective banks balance sheet*
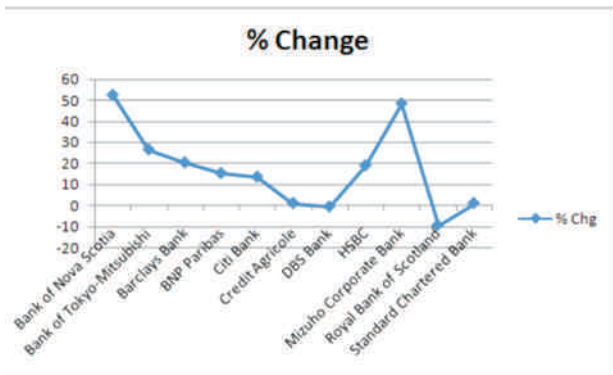
Total Income

The growth in the public sector and private sector banks is the result of aggressive marketing and customer acquisition techniques adopted by them. In sharp contrast, foreign banks are yet to make substantial efforts to attract all segments of customers. Table04 stated the total income of foreign banks during 2014-15 to 2015-16. It has been seen that the highest negative growth of Income of foreign banks i.e. Royal Bank of Scotland (-26.4%), Bank of Nova Scotia (-13.3%), DBS bank (-9.1%) and Barclays bank (-6.6%) respectively. The highest income in terms of total income of foreign banks during this period i.e. BNP Paribas (37.1%), Bank of Tokyo-Mitsubishi (18.2%) and HSBC (16.4%) respectively. Thus, most of the foreign banks operating in India have the advantage of flexibility in adopting new technology. As the new technology is cost-effective, their application will greatly facilitate in improving efficiency and attracting new business. Further, foreign banks also show more innovation in terms of products, particularly in retail segment. Indeed, the foreign banks have introduced Indian consumers to cash machines and credit cards.

Table 4 Total Income of selected foreign banks during 2014-15 to 2015-16

Bank	FY 2014 (In Crore)	FY 2015 (In Crore)	% Chg
Bank of Nova Scotia	1,132.2	981.6	-13.3
Bank of Tokyo-Mitsubishi	1,178.3	1,393.0	18.2
Barclays Bank	2,163.2	2,019.5	-6.6
BNP Paribas	1,481.5	2.030.7	37.1
Citi Bank	12,199.3	13,490.1	10.6
Credit Agricole	452.8	488.5	7.9
DBS Bank	2,815.9	2,559.4	-9.1
HSBC	8,986.9	10,463.9	16.4
Mizuho Corporate Bank	620.2	711.5	14.7
Royal Bank of Scotland	2,398.7	1,765.3	-26.4
Standard Chartered Bank	13,124.5	13,424.0	2.3

Operating Profit

The profit is an indication of the efficiency with which the business operations are carried out by corporate sector. The poor operational performance may result in poor sales leading to poor profits. The amount of profit may be increased through reduction in overheads, optimum utilization of facilities raising funds at lower cost and expansion of business. Foreign banks have achieved considerable improvements and profitability over the years in respect of technology roll-out, product developments and commercial strategies, cross selling of financial products across their network leading to increase in gross profit. The table05 stated the operating profits of selected foreign banks during 2014-15 to 2015-16. The growth of operating profit of selected foreign banks is as follows i.e. BNP Paribas (45.0%), Credit Agricole (23.9%) and Citi bank (10.1%) respectively. The highest negative growth of operating profit such as Royal Bank of Scotland (-70.0%), Bank of Nova Scotia (-27.6%) and HSBC (-20.1%) respectively.

Table 5 Operating profit of selected foreign banks during 2014-15 to 2015-16

Bank	FY 2014 (In Crore)	FY 2015 (In Crore)	% Chg
Bank of Nova Scotia	559.9	405.3	-27.6
Bank of Tokyo-Mitsubishi	587.4	599.2	2.0
Barclays Bank	941.1	855.3	-9.1
BNP Paribas	409.4	593.5	45.0
Citi Bank	5,591.4	6,154.8	10.1
Credit Agricole	175.7	217.8	23.9
DBS Bank	554.3	442.6	-20.1
HSBC	2,912.9	3,178.0	9.1
Mizuho Corporate Bank	386.1	412.2	6.8
Royal Bank of Scotland	754.4	226.7	-70.0
Standard Chartered Bank	5,596.8	5,900.1	5.4

Source: *Respective banks balance sheet*

Fig. 5 stated the change of Operating profit
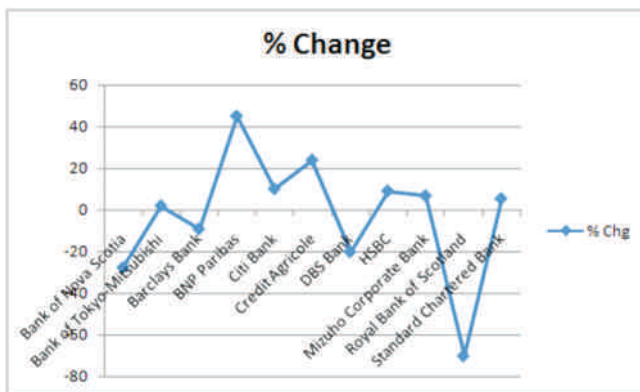
Net Profit

Foreign banks with higher operating profit could compensate for these provisions and contingencies and topped in net profit due to their ability to attract deposits at favourable interest rates and new HR practices, which has implications for their long-term profitability. All banks have recorded improvement in their profitability. Table06 stated the net profit of selected foreign bank during 2014-15 to 2015-16. The highest net profit during this period was earned by Standard Charted Bank (92.6%), following by BNP Paribas (52.8%) and Bank of Tokyo-Mitsubishi (16.6%) respectively. The negative growth of counterpart banks are; Royal bank of Scotland (-67.0%), Bank of Nova Scotia (-44.1%) and Mizuho corporate bank (-12.5%). The Table 7 stated, it is found that R2 value is 0.810 adjusted R2 value is 0.795. This shows that the variance ranges from 79% to 81%.

Table 6 *Net profit of selected foreign banks during 2014-15 to 2015-16*

Bank	FY 2014 (In Crore)	FY 2015 (In Crore)	% Change
Bank of Nova Scotia	292.8	163.6	-44.1
Bank of Tokyo-Mitsubishi	181.8	211.9	16.6
Barclays Bank	382.1	412.1	7.8
BNP Paribas	195.1	298.2	52.8
Citi Bank	2,892.7	3,422.6	18.3
Credit Agricole	96.0	96.7	0.7
DBS Bank	2.3	-274.6	-
HSBC	1,490.3	1,629.4	9.3
Mizuho Corporate Bank	200.8	175.8	-12.5
Royal Bank of Scotland	355.2	117.2	-67.0
Standard Chartered Bank	1,584.1	3,051.5	92.6

Source: *Respective banks balance sheet*

Fig. 6 *Change of Net Profit*
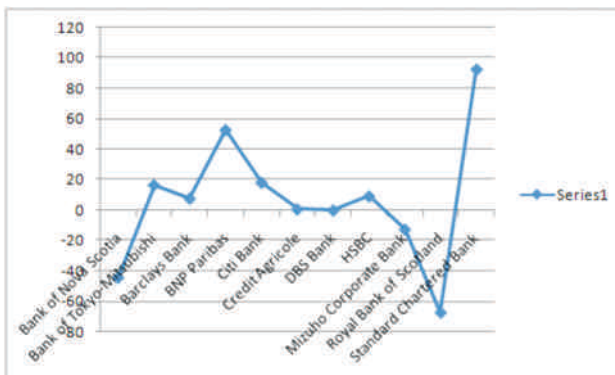
Source: *Respective banks balance sheet*

Fig.04 *stated the change of Income*
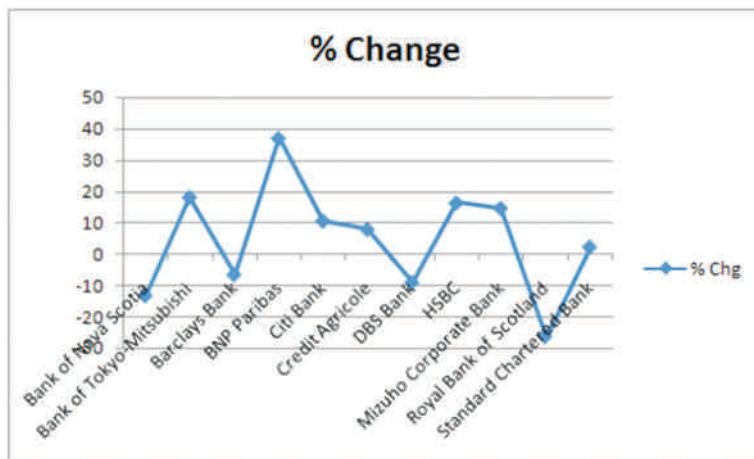
Table 7 *Composite statement of selected foreign banks during 2014-15 to 2015-16.*

Bank	Growth of Assets	Growth Advance	Growth deposits	Growth total income	Operating t Profit	Net Profit
	% Change	% Change	% Change	% Change	% Change	% Change
Bank of Nova Scotia	4.4	30.8	52.5	-13.3	-27.6	1
Bank of Tokyo mitsubishi	-7.7	-2.4	26.5	18.2	2	6
Barclays Bank	-3.6	64.7	20.3	-6.6	-9.1	8
BNP Paribas	0.4	14.2	15.2	37.1	45	52.8
Citi Bank	-4.3	7.7	13.5	10.6	10.1	18.3
Credit Agricole	-13.3	62	1	7.9	23.9	0.7
DBS Bank	-21	4.6	-0.6	-9.1	-20.1	0
HSBC	4.4	15.9	18.9	16.4	9.1	9.3
Mizuho Corporate Bank	8.4	-6.1	48.5	14.7	6.8	-12.5
Royal Bank of Scotland	-6.6	0.1	-9.6	-26.4	-70	7
Standard Chartered Bank	0.6	0	1	2.3	5.4	6

Table 8 Multiple Regression Analysis

Observations	Multiple R	R Square	Adjusted R Square	Standard Error
11	0.831	0.810	0.795	0.112

Table 9 Regression Model (ANOVA)

	df	SS	MS	F	Significance F
Regression	6	2274.52	379.09	65330568.81	0.00
Residual	4	0.00	0.00		
Total	10	2274.52			

Table 10 Regression Model (Coefficients)

	Coefficients	Standard Error	t Stat	P-value
Intercept 0.000	0.004	0.082	0.939	
X Variable 1	0.167	0.010	854.238	0.000
X Variable 2	0.169	0.020	3015.385	0.000
X Variable 3	0.187	0.011	2056.733	0.000
X Variable 4	0.156	0.012	708.561	0.000
X Variable 5	0.162	0.010	1002.440	0.000
X Variable 6	0.187	0.123	3766.977	0.000

CONCLUSION

Foreign banks have been operating in India for over a century. Foreign banks in India operate through their branch networks and representative offices. Under a 1997 commitment given to the World Trade Organization, the Reserve bank of India (RBI) needs to give 12 new branch licenses to foreign banks every year, but the apex bank has been allowing banks to open 12 to 18 branches a year. Standard Chartered PLC is the largest foreign banks in India started in (1858) with 94 branches, followed by Hong Kong and Shanghai Banking Corporation Ltd (1853) and Citi Bank N.A. (1901) with 50 and 42 branches respectively. Further RBI has to redefine the composition of the so-called priority sector lending of banks had recommended a shape lending of foreign banks to 40 percent from 32 percent to bring it on a par with that for domestic banks. During 2005, the RBI had laid down a two-phase roadmap for foreign banks could set up branches or wholly owned subsidiaries (WOS) , RBI was supposed to review the roadmap in 2009 but the exercise was delayed by the global financial meltdown. However, to bring the foreign banks in India in tune with their domestic counterparts has shown outstanding results in terms of various indicators of performance, particularly profitability under different regulatory compulsions.

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PERFORMANCE AND ORGANIZATIONAL LEARNING UNDER THE APPROACH OF ORGANIZATIONAL THEORIES

Abstract

Organizational learning is a dynamic process that involves individuals, groups and organizations in a process of continuous improvement of processes and products by developing new knowledge and skills that are put into practice and increase the potential of people to Influence an environment with a high degree of confidence and empowers them to make effective decisions, solve problems, innovate in a basic strategy of permanence and organizational development. The objective of the present study is a theoretical revision that aims to broaden the framework of analysis and to identify a range of competencies necessary to act effectively in the designs of modern organizations and to understand the nature of these individual capacities that favor learning in the Organizations that includes more people, processes and the influence of the environment. The findings of this work guide practitioners on where to focus efforts to promote the acquisition of new knowledge and take action for its application that promotes organizational change and achieves their durability through competitive advantages.

Keywords: organizational learning, innovation, continuous improvement, performance, productivity.

Introduction

Companies today face a complex and turbulent environment characterized by phenomena such as globalization, the technological transformations, the increase in the degree of competitiveness and continuous and unpredictable changes, which have led to a new way of understanding organizations, from a stable organization to a more dynamic organization. In order to assume the volatility of the environment and to achieve competitiveness, it is necessary to increase productivity and performance through organizational learning and performance, which can contribute to the generation of sustainable competitive advantages. One of the purposes of the organization is to be able to use knowledge as a resource, as well as to the ability to develop and promote it internally. Whereas the foregoing in this research the concept of organizational learning under the conceptualization of different authors with the purpose of achieving a better understanding of it is addressed. Learning encompasses all our efforts to absorb, understand and respond to the surrounding world. Learning is social and occurs in daily work. Learning is the essential process in expanding the capacities of individuals and organizations. Learning is not just about knowledge. It is also related to visions, beliefs, values, attitudes, habits, feelings, shared wisdom, understanding and self-awareness. (Chetley & Vicent, 2003).

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The modern organizational learning movement initiated by Argyris and Schôn (1996). And Senge (1990) marks the beginning of a new movement in change management. It is for the first time based on the principle that change is a continuous and systematic process reflective on the experience and daily reality of each company. This movement seeks to turn the organizational experience into learning. This reflective principle does not contradict the approaches of change followed until now. On the contrary, it seeks to recognize the essence of each one of them and rethinks to adapt it to the needs of each organization.

Secondly, some contributions from the theories of organizations are incorporated into organizational learning in order to explain the operation and main dimensions of the same. Third place, it is described the relationship between organizational learning and performance in order to determine the existing relationships, as well as the relationship with business results. Finally, it is the empirical contrast, discussing results, ending the essay with the conclusions and presenting some limitations and implications of the study. In order to achieve these issues, the following objective is proposed: To develop new knowledge and skills that have potential to influence organizational behavior. The specific objectives are:

A. Identify the contributions of organizational theories to organizational learning.

B. Determine the contribution of individual learning to organizational learning.

Methods

The study is a descriptive analytical type based on a review of empirical research, whose focus is the analysis and the comprehensive explanation of the phenomenon and specifically the process as the organizations are learning under a critical and analytical literary orientation. Therefore, the analysis seeks to find answers about the possibilities of how organizations learn. By referring the different authors, the results of this study can be established fourfold.

A.   The improvement based on results led by Argyris and Schon (1996) fundamentally on the theory of action, which holds that social factors such as individuals, groups or organizations construct action theories through learning.

B.   The one that is oriented to the individual work led by Fiol and Lyles (1985) defined by the distinction between individual and organizational learning and from the fields of theory and practice.

C.   The one that is oriented to the environmental adaptation, emphasizing the alignment with an environment and the importance of the harmony of the internal environment,

but questioning the artificial interpretation around the nature of the external environment (Miller 1992).

D.   The one of the planned learning, sustained by Senge (2002), who argues that at the level of the organizations the knowledge will be the cornerstone in which all the systems are integrated.

Organizational Learning

The word learning comes from the Latin apprehendère: from ad, to, and prehndère, to perceive. And it is defined as: "acquiring knowledge through study and experience; guess; Take something in memory." Larousse (2003: 4). Learning is the action and effect of learning an art, trade or something else, the time it is used and conceptualized as the "process of acquiring new habits and behaviors resulting from an experience" (Robbins, 2009: 113).

This experience is possible to acquire directly, through observation or practice or can be the result of an indirect experience, as acquired by reading. Only organizations that learn from themselves, their virtues, their mistakes, their successes, their failures are prepared to adapt to the changing business world of these times and future times. Learning organizations are those in which people continuously stimulate their capacities to create the future they would like to see emerge, where new and expansive patterns of thinking are cultivated, where collective aspiration is released, and where people continually are learning to learn together (Senge, 1993: 490).

Levitt and March (1988) assume that learning routines are established on the basis of positive and negative experiences. Effective learning results in acceptance of learning routines, while unsuccessful outcomes lead to their rejection, noting that frequent use of certain learning routines leads to more efficient learning as organizational competence for learning increases.

Organizational learning generates innovation and processes of change, for the good, in the lifestyles and the personnel that integrates the organizations. Therefore, the formation and the development of the people are a fundamental element that promotes the team learning to strengthen skills and diminishing organizational and personal weaknesses that analyze the organization as a whole, considering their interrelationships and leading to effective solutions with high impact, causing lasting and irreversible changes in the organization and generating the commitment of employees.

Learning is a process by which a human being or a set of human beings increase their capacity to produce, to generate a result that they really want to generate (Senge, 1993).For his part (Palacios, 2000: 3) refers to learning as "a psychosocial process through which the subject modifies his behavior and develops or acquires new forms of action." This learning depends on several factors such as the environment, school education, family and environment, as well as stimuli and conditioning.

Organizations today tend to be knowledge organizations, and "organizational learning is one of the most important factors in transforming them into intelligent organizations" Drucker, 1994: 54). The organizational learning approach is fundamental in all types of organization due to the possibility of generating knowledge and enhancing its creation based on individual knowledge as a basis for organizational success. Today's society is

characterized by permanent and continuous change in all social, political, economic and cultural aspects, among others.

An organization will achieve success if it considers the individual as the central axis of the organization. In this regard, Argyris (1996) emphasizes that it is the people who make radical changes in organizations. That is to say, if a radical change in the organization is to be undertaken, it must start from the human resource within the organization, so that the organizations of the future will have a more humanistic tendency and will be focused more on the individual than on the organizational processes. People are active and intelligent agents that help to manage organizational resources, since they are important to the organization. The human element will become the lever that will propel the organization to achieve development, improvement of processes and strategies, as well as organizational success, where the most important thing will be to end the limitations of innovation and channel the desire for change of every individual.

The information age in which it is currently immersed, the most important strategic resource is knowledge. This is also the most valuable competitive advantage, so, the most important for an organization is not information, but through it can be achieved knowledge so that an organization that wants to ensure its total permanence will have to learn to transform information into knowledge, and to use it properly to create new products.

Organizations learn as they practice what they do and this makes them to get best results. And it is through the learning of its people which makes them to be better (Muñoz, 2003). For an organization to be a learner, it must have members who are open to learning, who distinguish the knowledge and know how to communicate it to others in order that the learning is of the whole organization and helps them solve problems or create new strategies. In this respect Vargas (2001: 33-40) affirms that what we know we owe a great deal to the experiences we have had over time and the capacity of people to learn. This means that learning is an individualized mechanism, which is achieved through the development of new concepts, relationships, rules of decision and action, as well as problem solving.

An organization becomes a learner when "shares and uses knowledge in a way that its members unite in an effort to change the way that organization responds to the challenges and changes we are currently experiencing (Vargas 2001: 34). Based on the above, when becoming a learning organization or intelligent organization is acquired competitive advantage and adopts an open attitude to change that generates synergy as it obtains better results in its processes.

It is said that learning is defined as a process by which repetition and experimentation make that with the passage of time the tasks be carried out better and more quickly, and new opportunities to experience is permanently in the operational areas. Also organizational learning is defined as a dynamic and continuous process of acquisition and integration of knowledge, skills and attitudes for the development of resources towards improving these aspects (Argyris, 1999).

According to Cohen (1998), learning is that knowledge that allows individuals and organizations to acquire knowledge and skills on a particular concept or how to do a certain thing or because it is made, transforming the information that reaches them in knowledge through the learning process. But so that this knowledge is generated in

organizations, it is necessary that the learning process develops at the organizational level. Under this consideration, learning depends on first the organizational capacity and a number of personal factors as well as the environment, since it directly affects both the organization and individuals who are integrated in it. Learning occurs when change acts (Stephen, 2009: 114) for an individual. A change in the reasoning process or in the attitudes of the individual that is not tied to a change of behavior is not learning. Organizational learning has as fundamental objective to achieve a radical change through: increasing a person's capacity to make effective decisions and solve problems, foster reflexive and critical thinking and turn innovation into a basic strategy of permanence and business growth. With this idea, it seeks that the whole organization be a community of thinkers and doers, breaking the paradigm that only in the higher levels is thought and in the lower is executed.

In addition, an organization also learns if it has knowledge of what happens outside it. Its benefits can be an advantage to the competition if it obtains excellent information and knows how to use it, as external learning processes are based on the analysis of external information, coming from the behavior of competitors, customers and the rest of the organizations, the market, and the economy of the policy among others. They are based on the acquisition and internalization of the exterior, information transformed into knowledge through the learning process, and integrate it in the knowledge of the organization.

For the above it is concluded that learning in organizations is determined both internally and externally. Its results depend on what both learn from practice, within it, as well as the management of the information that can get from the same environment, since a learning organization is a place where people continuously expand their capacity to create results they truly want, where they are nourished by the new and broad forms of grief, where collective aspiration and people are continually left free Is learning (Senge, 1993).

This is the reason why it can be asserted that organizational learning is a dynamic process that occurs over time and across different levels.

Table 1 Levels of organizational learning

Level	Process	Inputs and outputs
Individual Group	Intuition Interpretation	Experiences, images and metaphors Language, cognitive frameworks, dialogues and conversations.
Organizational	Institutionalization	Routines, diagnostic systems, rules and procedures

Source: *Own elaboration*

Intuition is a process that can only be developed individually. It is the preconscious recognition of the pattern of personal experiences inherent in an individual (Weick, 1995). The interpretation picks up the conscious elements of this individual learning and shares it at a group level. Finally, the institutionalization installs the knowledge in the organization, incorporating it in its systems, structures, routines and practices. Once exposed the most important concepts about learning, it is described the contributions of some theories that have contributed to the generation of organizational learning with the purpose of having a

better understanding of the impact on the internal performance the organizations.

Contributions from the theories of organizations to organizational learning theory of systems

A. Systems theory

A system is "a grouping of elements that individually establish relationships with each other and act in their environment individually and collectively" Cavaleri (1993: 15). Johansen (2004), comments that the General Theory of Systems (TGS) is an interdisciplinary approach applicable to any natural and artificial system. In this purpose and from the administrative point of view, the TGS allows describing the internal and external behavior of the organizations. For this research, the definition of a system is that of a set of concrete or abstract entities that are dynamically interrelated and manage to fulfill the purposes that an organization seeks to achieve.

The general systems theory, TGS, developed by the German biologist Ludwig von Bertalanffy (2001: 31), who claimed that in the social sciences, the concept of society as the sum of individuals. General systems theory asserts that the properties of systems cannot be described in terms of their separate elements; their understanding is presented when they are studied globally because systems exist within other systems. Systems are open and characterized by a process of infinite change in their environment, which are the other systems and their functions depend on their structure. The holistic approach through the conception of the organization as an open and flexible system that depends on changes in the environment and technology, not only answers the problems of productivity and organizational efficiency, but the problems of organizational effectiveness Bertalanffy (1976).

The theory of the open system to the environment starts from the fact that the systems can only be conserved if the processes of exchange with the environment are maintained and selectively managed (Luhmann, 1995). The relationship between system and environment is fundamental for the characterization of the system itself and not only for the survival of it (Katz and Kahn, 1977: 25). These authors understand organizations as an input-output energy system, in which energy from the output reactivates the system. Open systems have a dynamic homeostasis, which seeks to maintain primarily the character of the system as it grows and expands.

Entire system is effective if the parties that compose it are synchronized together. Any part of them that fails will hinder the proper fulfillment of its objectives. A system is a structured set of elements whose behavior is not derived from addiction or mere juxtaposition of them, but rather their interdependence and interaction, both between themselves and between them and their environment A system is a whole and organized unit, consisting of two or more interdependent parts, components or subsystems and delineated by identifiable boundaries of a supra environmental system.

From the systemic approach, a system has elements that interact with each other, with hierarchies, complexes, goals or objectives, working as one to obtain a better performance, able to react to change to keep in balance with the disturbances of its environment. There are open and closed systems. According to De la Reza (2001: 77), the basic criterion of this distinction lies in the link that the system maintains with its environment.

A system can be defined as a set of dynamically related elements in interaction that develop an activity to achieve a goal or purpose since its integration and coherence are not two separate properties. They are the ends of the same property and present a certain degree of integration that is the condition of interrelationship of the parts within the indissoluble whole that its role depends on the purpose for which the whole exists. Every system depends on another and at the same time others depend on it or that a system is composed of subsystems of minor order which in turn are part of a system of higher order.

Every system exists and functions in an environment. Environment is everything that surrounds a system and serves to provide the resources required by the existence of the system. In addition, the environment is where the system throws its results and although it is a source of resources and inputs, so it is the source of contingencies and threats for the system.

Systems are classified into open systems and closed systems, the latter have few inputs and outputs in relation to the external environment, which are well known and have a cause-and-effect relationship: a given input (cause) to a determined output (effect). For this reason, the closed system is called mechanical or deterministic. On the contrary open systems have numerous inputs and outputs to relate to the external environment, which are not well defined. Their cause and effect relationships are indeterminate.

The open system is also called organic. The characteristics of an open system are that they can grow, change, adapt to the environment and even reproduce under certain environmental conditions, in addition to competing with other systems. The idea of applying the concept of open system to the organizations' sector is not new, and according to the theoretical context that is now being developed, organizations can be considered as open and constantly improving social systems to achieve specific objectives. This systemic approach allows contemplating the organization in a global way, where it relates to the outside with its environment, and with which it maintains continuous relations.

Organizations are clearly open systems since the input of energies and the conversion of the result into additional energy input consist of transactions between the organization and its environment (Katz and Kahn, 1977). These authors argue that organizations are composed of a set of elements (technical, human, financial), with an organizational structure that consists of a hierarchical order, with a series of subsystems with specific and complementary functions, which are integrated and coordinated for the achievement of results.

Organizations are defined as open systems that depend on external agencies such as customers, suppliers, shareholders, etc., to obtain the energy inputs they require, work, materials, capital, etc. and to send them the original products, tangible or intangibles. This means that the organization is constantly engaged in various types of environmental transactions, such as product distribution, raw material supply, recruitment of personnel, obtaining information, etc. That is, organization can be characterized as a regular and predictable cycle that has been developed over time through a know-how that necessarily implies an organizational learning.

From this point of view, organizations that learn to be more adapted to the constraints imposed by the environment manage to survive and those that do not die or are eliminated, allowing the entry of new organizations

Figure 1 *Organization as an open system*
Source: Own elaboration
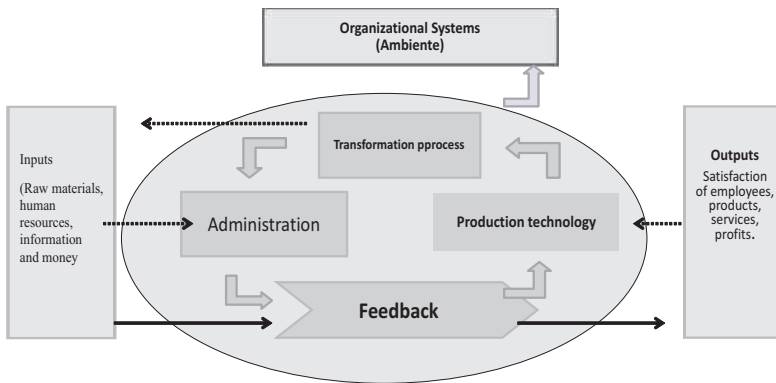
Organizations acting as a closed system are only focused on what happens within themselves. The closed system is a system that does not interact with their environment. At present, it is very difficult to find organizations with this type of system. According to Elliot (1984: 103), no system is perfectly closed or isolated from their environment. So, it can be said that all organizations are considered as open systems cannot shirk their environment because they would tend to disappear. The open system is an entity that exists in the environment and maintaining a reciprocal relationship with it.

Every system consists of an entry, process of the transformation, output and, most times, with feedback. The dimensions or basic parts of a system are inputs, the transformation process, products and feedback. Note that technology affects the types of inputs of the organization, the nature of the processes of transformation, and the system outputs.

Systems are a set of rules or principles orderly related: concur to the same purpose or constitute a certain mode of unity. The parts that compose the system do not refer to the physical field as objects, but to the functional. So, they are basic functions performed by the system inputs, processes and outputs. Inputs are the revenues to the system to be able to operate such as material, human resources or information. They constitute a starting force that supplies the operational requirements of the system. The process transforms an input into output. It can be a machine, an individual or a computer or a task performed by a member of the organization and the outputs are the results that are obtained at the end of the operation of the system that is reflected in goods, services and processing utilities. The inputs are the results of the operation of the system or, alternatively, the purpose for which the system exists (Rodríguez, 1998).

Organizational systems require people able to perform the activities and supplies required by their transformation process until a desired result or product is achieved. Social systems and among them, the organizations require two types of inputs: inputs for maintenance and production inputs. Maintenance inputs are importing energy and information needed to keep people in the system and persuade them to perform activities. Production inputs, meanwhile, are materials and energy to be transformed and exported as the system is running.

The systems approach suggests that the manager engages in situations that are dynamic, uncertain and often ambiguous. The manager has a vital role to perceive and determine the environmental relationships and to design the internal subsystems that are suitable to the goals of efficiency, effectiveness and participant satisfaction.

For the above, organizations are considered systems. An organization is a socio-technical system included in a broader society, with which it interacts. It can also be defined as a social system composed of individuals and working groups that respond to a particular structure within a context to which they partially control, and develop skills by applying resources in the attainment of certain common values.

Shrivastava (1983), for his part, understands learning systems as a set of mechanisms that support organizational learning, affirms that these systems provide important information for decisions in a formal and informal way. The organization's learning systems span different levels and areas and are not limited to specific parts of the organization. In one dimension, they vary according to their orientation towards the individual or organizational plane. Those oriented to the organization have an impersonal character and exist

1) The institution of a single man. This corresponds to a learning situation in which a single person is the maximum coordinator or general manager of an organization. The main person is based on their position, their experience and their knowledge. In this situation, organizational learning becomes identical to the learning of the main character (Mintzberg, 1979).

2) Mythological learning systems. Much of the learning in organizations is achieved through the emergence of myths and stories. The myths are the rules for grassroots and shared values and influence the values of the organization's culture and create heroes and villains (Schein, 1985). When new members join the organization, they face the myths, and through them, socialize to incorporate into the culture of the organization.

3) The culture that seeks information. By virtue of the type of activity that they carry out, some organizations will be more oriented to the active search of information as for example the organizations that take actions, the consultants and the newspapers. These organizations often have a sort of network for the exchange of important information, so that the majority of members can participate in what each individual brings together.

4) Participatory learning systems. These systems refer to forms of work based on committees and groups of projects to solve strategic and management problems. In addition to the exchange of information, meetings of project groups and committees provide opportunities for regular contact between key actors.

5) Formal management systems. That is, systematic procedures and control mechanisms to set budgets, develop strategic plans, establish information bases, conduct regular exploration of environments, etc. These systems are based on experience and administrative practice and are inspired by the techniques of modern management science.

6) Bureaucratic learning systems. In bureaucratic organizations, especially in the field of public administration, there is a broad set of methods and arrangements for

controlling the flow of information among its members. The rules specify exactly who will receive the information and the type and presentation of the same.

According to Shrivastava (1983), this presentation of optional systems should be understood as a preliminary description and the typology must be perfected. Further empirical research is required on each system, the exact nature of its results, its strengths and weaknesses, and how they can act and function together in the same organization.

B. Contingency or situational theory

The word contingency means something uncertain or eventual, which can happen or does not refer to a proposition whose truth or falsity can only be known by experience or by evidence and not by reason (Moreno y Martinez, 2003: 8). Campos (2006: 1) defines the term contingency as "any external variable, environmental characteristic, surrounding factor or influential force that affects the effective design of the organization and its behavior of form, in principle not directly controllable."

 The theory of contingency or situational was born in the late fifties, arises from isolated empirical research, carried out with the objective of verifying the models of organizational structures more effective and that produce greater impact, where their structure and operation depend on the adaptation and Interrelation with the external environment. There is a functional relationship between the environmental conditions and the appropriate administrative techniques to reach the objectives, stating that there is no single theory for solving organizational problems. In the administration everything depends on the situation that is present, because this being in continuous interaction with the environment requires multiple approaches and administrative techniques to face it, stay, grow and develop in it.

Chandler (1962) tried to show that environmental changes are not a determinant in them, but are mediated by the intelligence of management, because their strategic decisions are the policies and strategies that resolve which aspects of future scenarios will be taken as a reference for the change of structures. "Scenarios do not have a single interpretation. They are analyzed as obstacles or limitations, but they can also become opportunities for growth" (Etkin, 2003: 54). This requires organizations to be flexible in order to better cope with uncertainty, as this will allow them to adapt their structures to changes in the environment that they must assume through the formulation and implementation of multiple strategies.

 In this sense (Porter 1982: 407) proposes three generic strategies: Cost leadership is an integrated set of actions designed to produce products and / or services at the lowest possible cost in relation to competitors and that include characteristics that are acceptable by customers. Differentiation consists of making the company perceived as unique in the market through product design, image, brand, appearance, after-sales service. The focus or approach is an integrated set of actions designed to manufacture products that meet the needs of a particular competitive segment

Organizations must adapt to the changes that occur according to the environment in which they live; otherwise, they might affect their staying. From the perspective of the contingency approach, the structure and operation of an organization cannot be understood apart from their interaction with specific situations or factors in the environment or context in which it

operates. For an organization, there are many variables that exist to identify in the environment and need to know more that may affect or which may make a profit. The representative authors of this approach have sought to identify the variables of the external environment with the largest impact on organizations and establish the relationships between these variables and the structure and functioning of the organization.

Within the organization, there must be a structure that lets people distribute their best to cope with the changing environment. Their people must be well prepared and directed to meet the required purpose. The organization is a proactive system that is designed to the complexity of their environment by the division of labor and the distribution of tasks between different specialists, clustered systems or departments reacting in that part of the atmosphere that is relevant to fulfill its own task.

For the organization to work in a unified manner and to achieve its objectives, it is essential to have a coordination that complies with this intention. The integration or coordination is the process generated by pressures from the environment and which is to provide the means to conflict resolution, efforts to unify and coordinate members of the organization and the different units of the same, with the aim of achieving the common goal. The basic characteristic of the contingency theory is that they focus on the constant change which is generated externally and the business must change the way that makes the market.

This theory focuses its attention on the external environment of the company, giving priority to what happens outside the organization before investigating the internal elements of the organizational structure. This approach seeks a balance between both contexts, where the organization obtains the greatest benefit from its environmental circumstances to ensure its success as a company. The external factors according to Hall (1983) are constituted by the technological, economic, legal, political, and environmental variables. While internal factors are composed of factors that directly affect the organization such as key individuals.

The contingency approach emphasizes that there is no single optimal way of organizing and administering that is applicable to all companies, but that everything depends on the conditions of the environment where they carry out their activities. This is why it is important for management to determine the external effects that originate and affect the structure of the company in such a way that it is prepared to promote the actions that must be taken into account in favor of its operation.

C. Evolutionary theory

Evolutionary theory tends to be viewed as an eclectic approach that includes elements from different disciplines such as: knowledge, routines, resources and skills. This theory provides guidance on what companies should consider to facilitate their performance. The knowledge and experience of people within an organization, is what makes it strong before the competition and that there are changes in their environment. For Penrose, the distinctive character of a company is not derived from ownership of physical resources, but rather services that resources can be generated based on the accumulated experience and knowledge within the company and, therefore, exclusive thereof and difficult to transfer, to sell and communicate.

In evolutionary theory the starting point is production, which is why it privileges the approach of the company in terms of productive knowledge. Thus, the company is defined as a historically contingent but significant and persistent entity that is constituted around a specific productive knowledge that reflects its evolutionary history as an organization

(Nelson and Winter 1982: 78). Routinization of activities is the most important way to store the knowledge of organizations, which is reflected in an organizational minority that defines the operational capacity of companies. This knowledge is not reducible to the multiple competencies of individuals, teams or facilities of the company but is immersed in the whole of all members of the organization.

For evolutionists there are certain attributes that are the key for companies to play a good role in both the environment and inside. One is learning through the continued execution of the routines and experimentation. Another is the evolution of its career in the changing environment. Finally, the nature of selection, which allows companies that qualify, from surviving to change business if they should see the fit. For evolutionists what distinguish one company from another are their organizational skills and cognitive skills.

Companies that find better techniques and use better rules to implement than others, will expand relatively more and increase their productive knowledge, what will be reflected in its evolutionary history. For this theory, the limit of the firm is its ability to survive in the market. Survival will depend more on the size of the company, its ability to innovate and take economic advantage of evolution by adjusting its routines to changes in the environment. Thus competition in this theory is an open process of innovation, experimentation and feedback that leads to cost reduction. But above all, it leads to explore and exploit new potential ways of doing things under conditions of uncertainty, both the environment and of the learning process itself.

1. Learning and organizational performance

The turbulence of the environment, unpredictable organizational changes and the consequent uncertainty, have led to the questioning of conventional strategic analysis to understand the differences in the performance of companies. The benefits of planning in the organization derive not only from the objectives and strategies, but also learning from the same planning, emerging processes for knowledge management and those aspects that facilitate organizational learning as factor competitiveness (Ahumada, 2002: 139-148). Firms gain sustainable competitive advantages by implementing strategies that exploit their internal forces, neutralizing external threats and reducing internal weaknesses (Barney, 1991).

The competency-based approach places the organization's internal factors, especially intangibles as determinants of performance, focusing on the characteristics that resources, capabilities and competencies must possess in order to give rise to competitive advantages and sustained long-term rents (Prahalad, 1990), strategic factors (Barney, 1991) or strategic assets (Shoemaker, 1992: 67-81), and by them can be understood as the assets hardly imitated by competitors, and thus offer the broadest potential to create sustainable competitive advantages on the basis of their distribution in characteristics of product differentiation that the consumer perceives as of special value. The achievement of this depends on its ability to achieve a competitive advantage, the sustainability of that competitive advantage that the strategic assets confer on the company and the appropriateness by the company of the income generated by these strategic objectives.

The impact of learning on the performance of the organization has had opposing views. Some authors connect learning with an improvement in the results obtained by the company. Fiol & Lyles (1985: 803-813) state that regardless of the interpretations of

learning, it is assumed that this will improve future performance. Dodgson (1993: 554-571) describes it as the way firms build, supplement and organize knowledge and routines around their activities and within their culture to adapt and develop organizational efficiency by improving the use of the skills of the workforce. Slater & Narver (1995: 63-75) assume that learning facilitates change and leads to performance improvement. Garvin (2000: 19-29) defines it as a process that takes place over time and leads the acquisition of skills that result in increased performance. Also Bontis (1998: 63-76) claim that there is a relationship between organizational learning and performance.

The strategic context directs the organization in the learning intention and ability to exploit knowledge better than competition, which includes the general view of all members of the organization on the superior knowledge as a source of competitive advantage and its link with strategy and performance. Companies that learn and have high performance, have certain characteristics such as a style of autonomous and proactive management to transmit confidence to their people, have shared goals and have a record of the knowledge generated by way of history that can learn from it (Senge, 1990). In this regard (Senge, 1990) ensures that the speed with which individuals and organizations learn can be the most sustainable competitive advantage.

Therefore, successful organizations are those that articulate the strategy and the needs of employees at all levels on what they need to know, share and learn to execute these strategies. This joint guide the deployment of organizational and technological resources and capacities aimed to maximize the knowledge and increasing the chances of generating value (Zack (1999: 125-145).

2. Knowledge networks

The networks of knowledge and learning give rise to a new and powerful movement in the organization based on the different relations of production, capture, transport and storage and processing of information and knowledge. Knowledge, like education, is a purely social activity. The basis of the construction of knowledge networks is the acceptance of the social and cognitive complexity, both of its structure, of its acquisition, storage and management.

It is necessary to accept the complexity and uncertainty of knowledge and society in order to advance knowledge, in the management of the quality of networks. According to RAE (2017), the word network has the following connotations: rigging made with strings or wires in the form of meshes conveniently arranged for fishing, hunting, fencing, fastening, etc. In the field of education, the term network is a set of centers that form a kind of interconnected mesh, dedicated to the same educational activity, which are distributed by different places and have common objectives and purpose.

The networks consist of sharing resources by several educational centers, being the knowledge and learning the main resource of greater entity that they share. But they can be made up of two people or two connected computers, or thousands of people or thousands of computers. Learning networks are groups of people using CEI (Communication in Computer Environments) networks to learn together, in the place, at the time and at the pace that is most appropriate and appropriate for their task (Harasim et al. 2000: 24-25).

The person and the organization are two critical resources that are currently recognized as objects of value. Establishing a knowledge network is an effective way of combining individual knowledge with the skills of an organization. Therefore, a knowledge network is a dynamic phenomenon, in which new knowledge is shared, developed and generated.

Establishing a knowledge network is not easy to execute since it is not only the access of information to different individuals and organizations or the use of new technological systems; it is basically to integrate the individual contributions of knowledge, through the systematization of the same, being able to generate useful information in accordance with pre-established goals and goals.

A knowledge network is a community of people who, in a formal or informal way, occasionally, on a part-time or dedicated basis, work with a common interest and base their actions on the construction, development and socialization of knowledge (Gómez, 2007). Nevertheless, Lopera (2000) considers that it is a multidisciplinary group of people and institutions that are associated to investigate to develop projects with social sense, and for this they are based on the information that they contribute and flow through information networks, which are transferred to them through the telematic networks.

Knowledge networks are human interactions in the production, storage, transfer, access and analysis of the knowledge produced by the research or by the individual or collective interest for sharing information and knowledge by any means, usually electronic or digital with the intentionality of developing the capacities of creation, understanding, study and alteration of immediate reality/Royero, 2005).

Knowledge networks are networks that are fundamentally established among individuals, groups and organizations where not only are bilateral relations important, but also the integrity of the activities are carried out by the knowledge network itself (Seufert, Von and Bach, 1999). These networks imply both the formation of professional and training networks, networks for the diffusion and transmission of knowledge or innovations, which would lead to the formation of regional knowledge spaces (Casas, 2003).

A network is a mechanism that causes the sharing of new ideas that, in a hierarchical situation would not be often well received. In addition, the recognition is given by the recommendation and not by the position, which facilitates cooperation, since a network based on knowledge does not promote competition among its members. Likewise, shared visions and goals are developed and a strong sense of responsibility is created among its members or users, which ends up promoting teamwork.

3. Criticisms on empirical results

The most common criticism of the systemic approach which emphasizes what considered to have a high level of abstraction and too conceptual, making it very difficult to allocate in practical situations. Also, the complication of language and indifference on the causes and consequences of organizational change is questioned.

Contingency approaches allow relating how the environment affects the organizational structure. Its little precision about the notion of "environment" was also questioned, since in most cases this does not distinguish the boundaries between the organization and its environment. In this regard, it should be recognized that the contingent approaches do not explain the process by which adaptation between environment and organization occurs

The evolutionary approach is questioned to leave aside differences in the skills and efforts of individuals responsible for decision-making and assuming that all decision makers are provided with a motivation, precision and similar ingenuity. Similarly, evolutionists delve into the problems of identification and transfer of knowledge, but do not discuss aspects of wage formation and the distribution of profits, which are strongly linked to notions of control

and hierarchical commitments in the company. The main aspects that establish a link between learning and performance are necessary to align the strategies of the company, i.e. an intention of learning, in which they define that knowledge and how they need to acquire, share and store to achieve the organizational objectives.

Companies that have a high level of learning are embedded within the model of superior performance. However, not all outstanding performance is directly related to learning.

4. Discussion of results

Once done this study can be said that learning does not always increase the effectiveness of the learner (Huber, 1991: 85-115). While it is true that learning does not always improve the effectiveness of the learner, if key factor as an organization, since it is not only composed of one, thereby improving its performance in the market in which it competes. In order to conceive organizational learning as a source of competitive advantage for organizations, it is necessary for them to recognize the need for change, to have a high willingness to learn to generate change, and to systematize and transmit the generated experience of both errors and of successes. In addition, provide a tool to enable it to evaluate itself with the rest of the sector that would demonstrate the viability of organizational learning as a way to achieve change

5. Conclusion

This study highlights the important role of organizational learning in the current context, in which knowledge is regarded as a key resource in improving the performance and competitiveness of enterprises. Organizational learning is the cornerstone on which the future of organizations will build into the third millennium that had already begun. Currently, it is given importance within organizations that organizational learning is an important competitive advantage for them, and thus affects the results thereof.

The learning organization is a process of continuous, harmonious and value-creating improvement or change, where people take advantage of their capacity to know and innovate, where they develop a business capacity to acquire, generate and disseminate knowledge collectively, through training keep going.

Organizational learning may be possible through a process of continuous training of excellence that transmits knowledge, but is aimed at generating a change in the person, in his performance and in the place where he works, being able to become an agent of change, for which there must exist in the company two key conditions: the presence of leading managers and innovative entrepreneurs.

In the age of intangible assets and the knowledge society, organizational learning is a meta-capability that contributes significantly to the sustainable competitive advantage and strategic position of the company. Organizations need to learn to be able to adapt to their environment or, better yet, influence it, in such a way that they acquire or develop the other capacities of the company, taking advantage of the talent and potential resources available.

The construction of a learning environment and the understanding of this as a complex process of strategic value for the company must mark the orientation of the decisions and actions referred to the personnel that make up the company. Given that knowledge resides in people, the complex and tacit dimension of this and the very process of learning by which knowledge is acquired and applied productively, there is differentiation and scarcity,

making it difficult to imitate, aspects that theory recognizes as essential. So a resource or capacity is a source of sustainable competitive advantage.

Organizational learning presents highly promising lines of work for the management of companies in uncertain environments, as the ones organizations are currently experiencing, and focusing attention on the intangible capital held by each organization: the ideas and knowledge of its members. The vision of organizational learning seeks to promote learning as a restatement of prior knowledge with new ideas, which will provide people with the tools for proper decision-making and higher performance within the same.

It should be remembered that the main challenge of the new economy involves having a comprehensive overview of the events, that is, the ability to identify what is changing and that change within the span of a few years. This aspect is vital from now begin to innovate and implement strategies that enable organizations continue to have presence.

Finally, the learning organization is one that facilitates or provides the optimal conditions for those working in it they can have access to learning and thus generate knowledge that allows individuals to apply on behalf of the organization to make processes more efficient and the operation thereof. Senge (1990) says that as a first step, the elements that influence or promote learning in the organization must be diagnosed, in other words, everything that defines and characterizes the company: mission, vision, objectives, technology, threats, weaknesses and opportunities, taking into account all the internal and external aspects, as well as the analysis of the variables that promote learning, such as culture, strategy, leadership and others, since the current administrators must behave as designers and teachers with a systemic thinking that translates into shared vision.

6. Limitations and implications of the study.

After reviewing the literature, it examined the problems of complexity with respect to organizational learning and knowledge creation process. Therefore, there is a limited number of empirical works, where it is experiencing a growing interest in its development. To develop organizational learning effectively, there is the fact that organizational culture is absent and the employment is in full competitive environment. The difficulty of access to information and to exchange and communicate is another constraint, because communication is the key in this process.

Some barriers that limit learning are the evident lack of systemic vision, which prevents the interchange between people and learning, the general practice of blaming our mistakes on others, and never recognizing our own mistakes, which limits the correction of the same. The myth is embodied in the belief that the management team is formed by a group of people trained to solve all problems. This belief can clearly hamper learning and lastly within the multiple limitations can be cited self-deception in which individuals remain blind to the inconsistencies of their actions or else blame other people for being the cause. Finally, when upper management is not compromised and conditions are not conducive within socialization the processes knowledge is generated, the company hardly would be an organization that is present to facilitate learning and improved organizational performance.

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INDIAN HOSPITALITY INDUSTRY: A PROMISING CONTRIBUTOR TOWARDS GROWING INDIA

Abstract

Indian Hospitality Industry has been indispensable in terms of delivering the best towards an exponential growth in employment opportunities and a considerable rise in gross domestic product of our country. However, with so many hospitality organisations including foreign players, the opportunities have increased manifold. If we look back in the time-zone before 2010, a lot of hotels and lodging establishments started so as to fill the gap of rooms for a large number of foreign tourists along with domestic ones for the Commonwealth Games. This also paved way for a considerable rise in opening of various hospitality institutes across the country. This paper is review-based and the data used is purely secondary to highlight progressive hospitality industry as a promising contributor towards proliferating India.

Keywords: Hospitality, Employment, Hotels, Tourists, Proliferating.

Introduction

When it comes to demystifying the inclusions of hospitality industry, the HRACC has given classification in the form of Star-category hotels and Heritage properties. Further, on other basis of classification like the location, we have downtown hotels, motels, rotels, floatels, boatels etc. Then, the clientele also determines the various categories like economy, mid-range and luxury hotels. E.g.: Hotel Rambagh Palace, Jaipur , is a Luxury-cum-Grand Heritage hotel and so on.

However, merely hotels or equivalent cannot be summed up as hospitality; instead, tour operators and travel agents are substantially the active components of hospitality industry. Adding to these, the various states in our country are known for specialities in context of tourism-type, For example Uttarakhand is known for Wildlife Tourism, Pilgrimage Tourism, Ayurveda Tourism; similarly, Goa is famous for the 3S, i.e., Sun, Sea and Sand along with great scope for water sports.

Statistical data reveal that the tourism industry in totality has made a good contribution of 2.3% to our country's gross domestic product which may be counted as approximately 2.21 trillion. Moreover, in next seven years from now, a stupendous rise by 2.23 trillion is expected which would make a total of approximately 4.44 trillion by 2024 as per WTTC. In 2013, a comprehensive report by the World Economic Forum says that India has been recognised as 11th in Asia-pacific and surprisingly, 65th in the World Travel and Tourism Competitiveness which is commendable as a developing nation.

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Review of Literature

Luo and Zhong (2016), made an attempt to fathom and find the relationship between the labelling done to the menu which can be identified as a corporate social responsibility-based activity and consumers responded to it positively. Mc Guire (2015) in her study investigated the latest prevalent in the hospitality industry and iterated that emotional experience and exploration are symbolic towards the industry. Kotari (2011) in his research paper observed that for a produce from the tourist point of view to be improvised and valued, the elementary raw inputs are the country's geographical attractiveness, climatic features, historic information, cultural characteristics and the citizens. Petermann and Revermann (2010) in their research paper stated that in the tourist system the social and demography-based shift and particularly the advancement in the maturing of society-would consequentially lead to long-lasting variations, specifically on the demand behavior. Budhwar (2004) , conducted the research to evaluate the crucial factors that would impact the restaurant's success or failure. Challan and Kyndt (2001) highlighted several variations with respect to what British travellers expected and what expectations were seen in other foreign travellers.

Objectives

1. To highlight various categorical classifications of hotels in India

2. To depict statistical information on India Tourism related to the following:

a) Top 15 markets with respect to Foreign Tourist Arrivals in India (2015)

b) Growth of Foreign Tourist Arrivals in India and India's position in terms of Tourism and Travel globally and in Asia-Pacific region (2015)

c) Statistical comparison amidst three consecutive years of Foreign Tourist Arrivals from different countries (2013-2015)

d) Number of Approved hotels and available Rooms (2015)

e) Preferred mode of travel (2015) along with its rise/fall with reference to past

f) Foreign Tourist Arrivals and Foreign Exchange Earnings in 2016

g) Job opportunities available for hotel management qualified people

3. To throw light on futuristically developmental aspects of India Tourism

Research Methodology

The study is purely review-based and hence, only secondary data from text books, journals and internet sources have been taken for various references.

1. Various categorical classifications of hotels in India

The *Concise Oxford Dictionary* defines a hotel as a 'house of accommodation of paying travellers, etc.'

According to the Webster's Dictionary (1978), 'a building or institution providing lodging, meals and service for the people' is termed a hotel.

During throwback, it was discovered that Chandragupta Maurya built Inns and Guesthouses that were referred to as *sarais* and *dharmashalas*. During the British Raj, circuit houses and *dak banglas* came into being in India.

In India, the first commercial hotel, 'The Taj Mahal, Mumbai', was built in 1903. With the growth of transportation; roadways, railways, waterways, and airways-people became even more mobile. Inns, motels, hotels, resorts, and the like have kept pace with the developments, and have been refurbished to meet the quality demands.

An organisation named Hotels and Restaurants Approval and Classification Committee (HRACC) awards the Star category and Heritage classification to hotels. I must iterate that before classification, there is pre-step called Approval. Under this step, the project for the construction of a hotel has to be approved by HRACC which comprises a team of highly experienced and qualified professionals including evaluators from both government as well as private sectors.

Table 1 depicts the classification of hotels on various bases
Table 1 *classification of hotels*

Location	Target Market	Size of Property	Level of Service	Length of Stay	Themes
Downtown hotels	Commercial hotels	Small hotels	Budget hotels	Transient hotels	Heritage hotels
Suburban hotels	Convention hotels	Medium hotels	Mid-scale hotels	Residential hotels	Ecotels
Motels hotels	Resort hotels	Large hotels	Luxury hotels	Semi- residential hotels	Boutique hotels
Airport hotels	Suite hotels	Very large hotels			Spas
Resort hotels	B & B hotels	Mega hotels			
Forest hotels	Extended stay-hotels	Chain hotels			
Floatels	Casino hotels				
Boatels	Timeshares				
Rotels	Condominiums				
	Service apartments				

2. Statistical information on Indian Tourism in the year 2015

Thankfully, our esteemed Ministry of Tourism, Government of India has provided such comprehensive reports which are very useful for researchers and academicians. During 2015, India witnessed a progress rate of 4.5% in Foreign Tourist Arrivals. Further, India's ranking is 14th globally in terms of world tourism receipts with a share of 1.67% and 7th rank in the Asia-Pacific region for tourism receipts. If we see the domestic front, a growth of 11.6% has been observed countrywide with respect to Domestic Tourists visits.

Number of Foreign Tourist Arrivals in India (million)

Annual Growth Rate   8.03 4.5%

a) Foreign Tourist Arrivals from Top 15 Markets

(Numbers in million and Percentage share)

1.	U.S.A.	1.214 (15.12%)
2.	Bangladesh	1.134 (14.13%)
3.	U.K.	0.868 (10.81%)
4.	Sri Lanka	0.299 (3.73%)
5.	Canada	0.281 (3.50%)
6.	Malaysia	0.272 (3.40%)
7.	Australia	0.263 (3.28%)
8.	Germany	0.248 (3.09%)
9.	France	0.230 (2.88%)
10.	Japan	0.207 (2.58%)
11.	China (Main)	0.206 (2.57%)
12.	Russian Federation	0.172 (2.15%)
13.	Nepal	0.155 (1.93%)
14.	Singapore	0.152 (1.90%)
15.	Pakistan	0.125 (1.56%)
16.	Share of top 10 countries	5.019 (62.52%)
17.	Share of top 15 countries	5.829 (72.62%)

b) Foreign Exchange Earnings from Tourism (PR)

i) In INR terms Annual Growth Rate	INR. 1,35,193 Crore (9.6%)
ii) In US$ terms Billion Annual Growth Rate	US $ 21.07 (4.1%)

c) India's Position in World

1. Share of India in International Tourist Arrivals	0.68%
2. India's rank in International Tourist Arrivals	40th
3. Share of India in International Tourism Receipts	1.71%
4. India's rank in International Tourism Receipts (As per RBI's estimate)	14th
India's Position in Asia Pacific Region	
1. Share of India in Tourist Arrivals	2.88%
2. India's rank in Tourist Arrivals	11th
3. Share of India in Tourism Receipts (US$)	5.03%
4. India's rank in Tourism Receipts (As per RBI's estimate)	7th
(P) Provisional PR: Provisionally revised	

The share of India in international tourist arrivals in 2015 was 0.68%. India accounted for 2.88% of tourist arrivals in Asia Pacific Region in 2015, with the rank of 11th; Tourism has been phenomenal in contributing significantly and playing a pivotal role as a foreign exchange earner for the country. In 2015, foreign exchange earnings (FEE) from tourism were US $ 21.07 billion being considerably high with respect to US$ 20.24 billion in 2014, projecting a progress of 9.6% and Number of domestic tourist visits in India during 2015 was 1432 million (Provisional) as compared to 1290.12 million in 2014, with a growth rate of 11.6 %.[2]
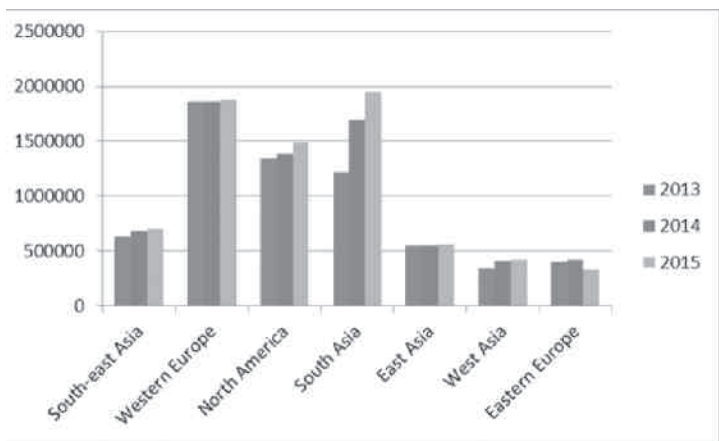
Fig. 1 Foreign Tourist Arrivals in India from different Regions, 2013-2015[2]

The above chart statistically projects rise in figures with respect to all countries in 2015 except Eastern Europe.

Table 2 *Number of Approved Hotels and Availability of Hotel Rooms in the country, as on 31st December, 2015*

S. No.	Category of Hotels	No. of Hotels (PR)	No. of Rooms (PR)
1.	One Star	785	26
2.	Two Star	1922	68
3.	Three Star	22793	531
4.	Four Star	9972	197
5.	Five Star	15230	125
6.	Five Star Deluxe	27775	127
7.	Heritage Hotels	1065	30
8.	Bed & Breakfast Establilshment	283	1359
9.	Guest House	110	7
10.	**Total**	**81011**	**1394**

PR: Provisionally revised

e) Preferred Mode of Travels (2015) [2]

As evident through the figure given below, the most preferred means of travel/transport for the tourists has been via Air which accounts for more than 80% in 2015. During last four years, i.e., 2010-14, the percentage of FTAs touring to India by airways has been more than 90%. However, in the year 2015 this figure of FTAs travelling to India by airways declined to 84.5%. The portion of arrivals through land as obtained via check-posts has been more than 10% during 2001 to 2008. Arrivals through sea routes remain less than 1% since 1996 up till 2015. However, it rose to 1.0% in 2009.
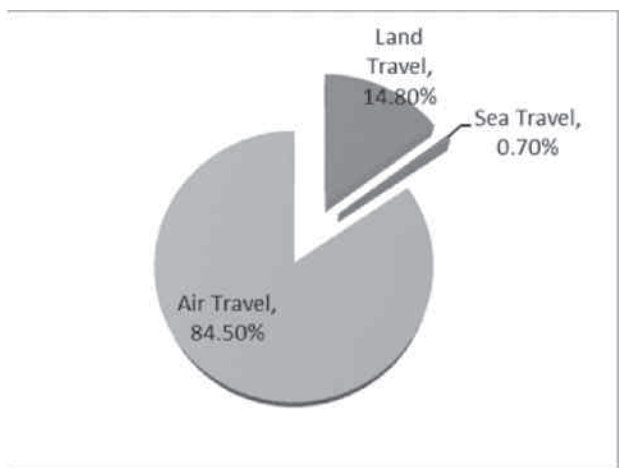
Fig. 2 *Mode of Travels for Foreign Tourist Arrivals in India, 2015*

f) Foreign Tourist Arrivals in India rose 11.8% Year over Year to 6,70,000 tourists in the year August 2016. Further, Foreign Exchange Earnings from tourism increased 13.1% Year on Year to ` 129 billion in August 2016.

g) Job Opportunities for hotel management qualified individuals - Various Central, State and Private hotel management institutes are generating a large pool of trained workforce for the Indian hospitality industry. These students have following career opportunities:

• Management Trainees in Hotels and allied hospitality industry;

  Kitchen Management/Housekeeping Management positions in

  Hotels after initial stint as trainee;

• Flight Kitchens and on-board flight services;

• Indian Navy Hospitality services;

• Guest/Customer Relation Executive in Hotel and other Service

  Sectors;

• Management Trainee/Executive in international and national fast

  food chains;

• Human Resource, Training, Marketing and Purchase departments;

• Teachers/Researchers in the field of hospitality administration;

• Hospital and Institutional Catering;

• Instructorship in Hospitality/Catering institutes;

• Shipping and Cruise lines;

• Marketing/Sales Executive in Hotel and other Service Sectors;

• State Tourism Development Corporations;

• Resort Management;

• Self-employment through entrepreneurship and

• MNCs like healthcare, malls and corporate houses as facility managers.

Furthermore, Indian hospitality industry has played a pivotal role in generating large amount of employment opportunities, alleviating poverty and is significantly working towards sustainable development. Its contribution has been 6.77% to the national GDP and 8.78% of the overall employment in India. Nearly 20 million people are employed in Indian tourism/hospitality industry.

3. Futuristically developmental aspects of India Tourism

This information has been gathered from the source hallmarked with CII revealing important details about Incredible India Tourism Investors' Summit held on 22nd September, 2016.

Honourable Minister of State (I/C) - Tourism and Culture addressed during the event, through which it can be interpreted that by way of this summit, expectations are for attracting ` 50,000 crore from around 700 investment projects. The Government has been committed

to take our share of tourism to 1% by the year 2020 and aiming for its rise to 2% by 2025.

Adding to the above, the process is on for adding another 25 countries for e-visa facility, which is currently available to 150 countries. Moreover, the government will envisage new civil aviation policy and is working towards 60 more airports in the coming times for enhanced and improved connectivity.

Apart from the above, the foreign exchange earnings in India are anticipated to rise to US $ 275.5 billion by 2018 at a substantial growth rate of 9.4% annually which is quite remarkable as a part of service sector.

Conclusion

With the above information, there has been a considerable rise in Foreign Tourist Arrivals and the consequent increase in Foreign Exchange Earnings; a likely employer for the trained youth. In fact, India is being recognised as an attraction for foreign tourists due to increase in the inbound tourism as compared between years 2013, 2014 and 2015.

Therefore, we can certainly analyse that with few more concentrations to work on, we can be among the top most tourism running countries with a magnificent rise in our GDP in coming years.

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"MARKETING FACTORS INFLUENCING PURCHASE DECISION MAKING: A STUDY OF HEALTH INSURANCE SECTOR IN INDIA"

Abstract

The objective of this study was to check the 'marketing Factors' Influencing Purchase Decision Making among health insurance policy holders in India. Data was collected through a structured questionnaire given to 170 customers of private and public health insurance customers. Data analysis was done through factor analysis. The study found that factors, viz. Product, Price, Place, Promotion, Process, Physical evidence and people have significant relationship in decision making process. The findings of the study and the implications are discussed here.

Key words: Product, Price, Place, Promotion, Process, Physical evidence and People.

Introduction

India's health care industry is at crucial crossroads today. While India continues to chart a course towards modernity and economic development, 40% of the Indians still remain outside the purview of available modern-healthcare benefits. Yet, about 170 million people globally suffer financial turbulence annually, and, 100 million are pushed below the poverty line as a result of the various types of health-care expenditures they have to incur. The Indian healthcare industry is expected to reach US$ 79 billion in 2012 and US$ 280 billion by 2020, on account of the increasing demand for specialized and quality health-care facilities. Further, the various hospital services market, which represents one of the most important segments of the Indian healthcare industry, is expected to be worth US$ 81.2 billion by 2015.

Health insurance premiums in India started increasing between the years 2003 and 2014; the cumulative growth rate being 14.67%. Health insurance increased between 2003 and 2014, and registered a growth rate of 0.0535%. Similarly, the Health Insurance Density also started increasing between the same period, and the growth rate was 13.72%. Consequently, Health Insurance Claims also started increasing during the period under study as the cumulative growth rate was 97%. These data showed that there exists significant demand for health insurance policies in India.

Health insurance premiums in India started increasing between the years 2003 and 2014 as the cumulative growth rate was 14.67%. During the same period under study: (a) Health insurance registered a growth rate of 0.0535%. (b) Similarly, the Health Insurance Density also started increasing and the growth rate was 13.72%. (c) Consequently, Health Insurance Claims also started increasing as the cumulative growth rate was 97%. These

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data show that there exist significant demand and vast potential for the growth of health insurance industry in India.

While health insurance has historically played a significant role in developing the health-care sector in the developed nations, the Indian scenario presents a different picture as less 15% of the population is covered under some form of insurance (employer's contribution, or self-financed or government-sponsored schemes) and only 2.2% of the population were covered under private insurers. The premium declined over the years and because of low penetration, health insurers were more interested in investment in other businesses for various reasons. Besides, factors, such as rise in income levels, aging population, higher medical costs, life-style induced diseases, tax concessions, government incentives, and modern distribution channels have initiated the vast improvements in health care services.

Review of Literature:

Dash (2013), with help of 7P's, made a study to examine the buying behavior from different stake holders' points of view - customers, agents and executives of LIC and private insurers - for marketing and servicing of insurance policies. For this he interviewed 405 life insurance policyholders and 207 life insurance executives. He came to the conclusion that when customers buy insurance policies, 'place' and 'people's behavior were significantly associated.

Similarly, Rajkumar and Kannan (2014) assessed the factors that influenced the purchase of life insurance policies. They had interviewed 135 people in Tamil Nadu, India. They had used the 7P's framework of service marketing. They concluded that the total package of the product (tax rebate, savings and life cover), price (value for money), place (accessibility), promotion (advertisement), people (agent's behavior), physical evidence (office ambience) and process (compliant redressal mechanism) has significance on purchase decision making.

A study made by Azadi (2010) emphasized on impact of marketing mix on customer's choosing an insurance firm. The results showed customer while choosing insurance firm were affected by marketing mix factors i.e., Product, Price, Place, Promotion, Process, Physical evidence and people.

Research Question

Does the Service Marketing factors Decision Making influence the consumer behavior of health insurance policy?

Research Methodology:

Need for the Study:

The study was conducted to find out the Service Marketing factors Influencing Purchase Decision making while acquiring a health insurance policy.

Objectives of the Study:

The aim of the study was to check various the Service Marketing factors influencing on the Purchase Decision making in Health Insurance Sector in India.

Study Site:

The study was conducted in the Jagital district of Telegana state, India

Nature of Study:

The study is purely explorative and conclusive in nature.

Data Collection Method:

The study took into consideration both primary as well as secondary data. The primary data was collected through a set of structured questionnaires and the secondary sources consisted of review of websites, books and standard journals.

The Questionnaire Development:

Initially the rough-cut of questionnaires were developed through polite interactions with local customers and agents in the insurance market. Thereafter, the closed-ended questionnaires were designed and fine-tuned in three parts. The first part consisted of general questions related to Name, Address, Age, Gender, Income Level, Occupation and Marital status. The second part related to Purchase of health insurance policy, Company name, premium and coverage. The third part used the Likert's scale to cover the Seven P's of Service marketing factors, viz.: Product, Price, Place, Promotion, Process, Physical evidence and People.

The Sample:

The sample of the study consisted of 170 customers to whom the structured questionnaires were distributed for Data Collection of which only 170 samples were considered were customers of Public insurance company and private insurance company.

The Description of Variables:

1. Product or insurance Policies: it is a contract with bundle of complex benefits that fit the customer's financial needs. Corporate offer unique features like Hospitalization policy, family floater HI policy, health plan, pre-existing diseases cover plan, senior citizen HI policy, maternity HI policy, critical illness HI policy, pro-active plans, family floaters policy and diseases specific plans to attract every segments in the market.

2. Pricing or Premium: it is a consideration (amount) paid for a contract for the expected benefits. Private insurers price these products with a motive to recover cost and profit margin. Private insurers price the product looking at customer's Health conditions, Age, Gender, Marital status, Habits and avocation, claims history, family medical history, Morbidity, locality, Occupation etc. It can be arrived with a condition like rebates in case of No claims history; loading charges for frequent claims history and co-payment in case critical illness case.

3. Place: it is a channel to reach the customer and deliver at his doorstep. Currently HI players in India are reaching customer through Agents, Brokers, Bank assurance, internet, Kiosks, E-Commerce, Takaful, insurance Marketing firm, Super market and call centre. Private health insurers are approaching modern techniques in distribution to deliver to the customer and save cost on each transaction.

4. Promotion: The Promotional Mix is sending a persuasive message to potential customer regarding products offered by the insurer. Communication message should informative or persuading or reminding about products offered by the insurer. The purpose of these activities is to create impulsive buying behavior. Advertisement is done through Television, online, magazines, journals, newsletters, Newspapers etc.,

5. People or Personnel: people play significant role in process of delivery of service. People involved in organization are employees, agents, brokers, management, and supporting staff. A customer expects high quality services from insurers. Employees and Staff should be qualified, skilled, knowledgeable, positive attitude and friendly behavior. Insurers Employees and Staff have to Trained & Development in area of specialization and psychological to handle customer at ease.

6. Process or Procedure Management: it is sequence or method of doing activities in insurance company. Insurers have to process speedily, timely and accurately while issuing policy, servicing policy and claims settlement.

7. Physical Evidence: it is a physical or tangible evidence of discipline followed by insurance companies. Insurer's office layout, ambience, dressing style of employees, material to handle claims and address of TPA's & network Hospitals; customers should be given a copy of policy and original policy document to legal disputes and leaflets to marketing a product.

Sampling procedure:

The respondents were selected within the specified strata, based on their convenience and cooperation.

The Field Work:

The questionnaires are given to customers in the Jagitial District (comprising Jagital Town, Korutla, Metpelli and Raikal localities) and interviews were conducted.

Statistical Tools Used:

The following study tools were used: Descriptive Statistics, a one sample t-test and Reliability and Validity tests.

Period of the Study:

The survey was conducted from June to September 2016.

Limitation of the study:

Study was conducted within the Jagital district and with a sample of 170 respondents only.

Data Analysis and Interpretation:

Table 1: Individual Demographic Factors and HI Policy Details

	N	%		N	%
Gender			**Marital status**		
Male	135	79.41	Married	165	97.06
Female	35	20.59	Single	5	2.94
Age			**Occupation**		
21-30	45	26.47	Self employed	12	7.06
31-40	52	30.59	Professional	15	8.82
41-50	68	40.00	Private employee	73	42.94
51-60	3	1.76	Government service	42	24.71
above 60	2	1.18	Others	28	16.47
Income Levels			**Premium Amount**		
Less than 5,00,000	45	26.47	Less than 12000	50	29.41
5,00,000-7,50,000	52	30.59	12000-15000	52	30.59
7,50,000-10,00,000	68	40.00	15000-30,000	63	37.06
Above 10,00,000	5	2.94	30,000 above	5	2.94
HI cover			**Companies**		
Self	6	3.53	Public	35	20.59
Family	164	96.47	Private	135	79.41
Type of HI			**Sum Assured**		
Group	64	37.65	Less than 1,00,000	50	29.41
Individual	6	3.53	1,00,000-2,00,000	52	30.59
Family floater	100	58.82	2,00,000-5,00,000	63	37.06
Combination	0	0.00	Above 5,00,000	5	2.94
Cover HI					
Outpatient	40	23.53	Inpatient	130	76.47

Table 2: Factors with Mean, Alpha and Significance

S. No	Factors	Mean	Cronbanch's Alpha	F	Sign.	Variables
1	Product	3.615	.876	4.208	.006	4
2	Price	3.526	.794	3.814	.052	2
3	Place	3.559	.878	2.352	.127	2
4	Promotion	3.537	.837	1.181	.317	4
5	Personnel	3.518	.584	10.24	.002	2
6	Physical Evidence	3.502	.723	.458	.633	3
7	Process	3.586	.864	2.171	.091	4

Table 3: KMO's and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.914
Bartlett's Test of Sphericity	Approximate Chi-Square	3053.271
	df	210
	Sig.	0.000

Table 4: Loading Factors of Selected Variables on Key Factors (loading criteria

Code	Measures	Factor-1	Factor-2	Factor-3	Factor-4	Factor-5	Factor-6	Factor-7
X1	Health insurance company offerattractive and comprehensive schemes	.751						
X2	Health insurance schemes are tailor made	.691						
X3	Health insurance covers critical illness	.766						
X4	Health insurance provides tax rebate	.859						
X5	Health insurance schemes provides value for money		.679					
X6	Health insurance is offered at affordable premium		.822					
X7	Health insurance is easily available			.840				
X8	Health insurance is now available through multiple channels			.819				
X9	Health insurance companies advertisement influenced my decision making			.789				
X10	Health insurance companies promotion activities influenced my decision making				.770			
X11	Word of mouth influenced my decision making				.770			
X12	Direct selling influenced my decision making				.719			
X13	Agents behavior influenced my decision making					.507		
X14	Agents knowledge of health insurance influenced my decision making					.689		
X15	Office ambience influenced my decision making						.558	
X16	Health insurance company websites give complete information						.619	

X17	Health insurance company printed leaflets gives required information of the products	.710	
X18	Timely delivery of statement of billing .		.688
X19	Health insurance company claims-settlement mechanism is transparent		.777
X20	Health insurance premium payment system is easy & convenient		.778
X21	Health insurance company grievance-redressal mechanism is quick		.699

Findings:

The Kaiser-Meyers-Oklin Test was carried to measure the homogeneity of variables, and, Bartlett's Test of sphericity was used to test the correlation among the variables. The KMO value for the was 0.914 and hence the factor-analysis is appropriate for the given data set. Bartlett's Test of sphericity chi-square statistics is 3053.271, which shows that 21 of statements are correlated and hence the was accepted for further study.

The factors of retention were large in number and were interrelated. Factor-analysis was done to extract and club the factors responsible for attrition. Principal components' analysis was used for extraction and varimax for rotation. As per the Kaiser criterion, only factors with the Eigen values greater than one were retained (Kaiser.H.F1960). First four factors, initial solution have Eigen values greater than one. Together, they account for almost 55% of the variability in the original variables. Thus, there is a significant relationship between the variables.

Factor 1: "Product" - This consists of four variables which contribute a mean of 3.615, and all the factors in loading are greater than .55. Reliability of data is tested through Cronbach's alpha; the value 0.876, exceeding 0.7, which is acceptable. There is a significant relationship between the variables.

Factor 2: "Price" - This consists of two variables that contribute a mean of 3.526, and all the factors in loading are greater than .55. Reliability of data is tested through Cronbach's alpha; value is 0.794, exceeding 0.7, which is acceptable. There is a significant relationship between the variables.

Factor 3: "Place" - This consists of two variables that contribute a mean of 3.559 and all the factors in loading are greater than .55. Reliability of data is tested through Cronbach's alpha; the value is 0.878, exceeding 0.7, which is acceptable. There is no significant relationship between the variables.

Factor 4: "Promotion" - This consists of four variables that contribute a mean of 3.537 and all the factors in loading are greater than .55. Reliability of data is tested through Cronbach's alpha; value is 0.837, greater than 0.7, which is acceptable. There is no significant relationship between the variables.

Factor 5: "Personnel or People" - This consists of two variables that contribute a mean of 3.518, and all the factors in loading are greater than .55. Reliability of data is tested through Cronbach's alpha value is 0.586, less than 0.7, which is acceptable since the overall value is 0.963, which more reliable. There is a significant relationship between the variables.

Factor 6: "Physical Evidence" - This consists of three variables that contribute a mean of 3.502 and all the factors in loading are greater than .55. Reliability of data is tested through Cronbach's alpha value is 0.723, greater than 0.7, which is acceptable. There is no significant relationship between the variables.

Factor 7: "Process" - This consists of four variables that contribute a mean of 3.586 and all the factors in loading are greater than .55. Reliability of data is tested through Cronbach's alpha value is 0.864, greater than 0.7, which is acceptable. There is no significant relationship between the variables.

Conclusion:

The study found that the majority of HI policy holders were male and married; between 41-50 years of age, were employees of private enterprises, having income levels between 5 to 7.5 lakhs, the premiums paid were between Rs 15,000 to 30,000, preferred to be family floaters and work in private companies, the sum assured was Rs 2 to 5 lakhs and covered inpatients. This study was conducted with the objective to check 'marketing Factors' Influencing Purchase Decision Making among health insurance policy holders in India. Data was collected through structured a questionnaire administered to) 170 customers. Data analysis was based on the 170 respondents' feedback. The study found that factors, viz. Product, and people have significant relationship in decision making process and insignificant relationships between the variables - Price, Place ,Promotion, Process and Physical Evidence-and data were found to be reliable.

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EMPLOYEES RELATIONSHIP MANAGEMENT PRACTICES AND ITS IMPACT ON EMPLOYEE JOB SATISFACTION AND INTENTION TO QUIT: AN EMPIRICAL STUDY

Abstract

In today's competitive environment companies are struggling hard to design a most appropriate training strategy that could enrich the employees relationship and contribute better outcome in terms of skill, productivity and organizational performances. ERM as a process that companies use to effectively manage all interactions with employees, ultimately to achieve the goals of the organization. The objective of this study is to understand Employee Relation Management practices and its impact on Job satisfaction and employee intention to quit in the service sector organization of Dehradun It is essential to understand the effectiveness of Employee Relations activities and practices which are contributing positively towards job satisfaction and intention to quit. In a survey of 183 respondents it was found that Employees Relationship Management Practices has impact on employee job satisfaction and discouraging their intention to quit The results revealed that all variables of research model had significant relationships between each other. The regression analyses reported that Employee Relationship Management practices has significantly positive relationship with Job Satisfaction in comparison to the relationship between Employee Relationship Management practices and Employee Intention to Quit as well as Job Satisfaction and Employee Intention to Quit. Some of the suggestions based on the study is also presented in the study.

Keyword: Employees Relationship management, Job Satisfaction, intention to quit, etc.

Introduction

In today's competitive environment companies are struggling hard to design a most appropriate training strategy that could enrich the employees relationship and contribute better outcome in terms of skill, productivity and organizational performances. ERM as a process that companies use to effectively manage all interactions with employees, ultimately to achieve the goals of the organization. The human resources department can play a critical role in this process, both in terms of training and coaching managers and executives on how to effectively establish and nurture relationships with employees and in measuring and monitoring those relationships to determine whether objectives are being met (Oluchi, 2013). Service sector organization practice ERM without labeling these practices. In this case, ERM would actually exist within the organizations on top of everyday processes and practices which are known to employees and managers. Managers of service organizations believed that investment in human resources will positively affect on the overall performance of services and enable it to achieve the set annual goals. This

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investment done by applying HR practices and give the employees training opportunities, also they focused on building good relationship with employees to improve their performance.

Mayhew (1985) says that good relationships between employer and employee do not just happen; they are the result of a strategy and activities that employee relations managers design to improve communication between employees and management.

Scholars (Schweitzer & Lyons, 2008; Srivastava et al., 1998) have highlighted several ERM practices, which include: employee empowerment and involvement, employee suggestions, collective bargaining, conflict management and grievance redress measures, training and development, transparency in communication, encouraging group activities (teamwork), and work compensation.

Applying of ERM within an enterprise is now a critical success factor for strategic HR policy. ERM is not technology, or software product, but a concept that focuses on new forms of communication within a company **(aedem.nl, 2008).**

Like any other new management concept, ERM is viewed as an advantageous approach that offers mutual values for employees and employers. Major values promised to employees are the greatest possible satisfaction of their individual needs, while the increased attraction, retention, motivation and performance of employees are values promised to employers **(Strohmeier, 2013).**

It includes all the matters between employers and managers that rose everyday between these associations and hence ERM includes relations which are collective including managers and workers. It promotes Commitment, facilitates employees in achievement of organizational objectives minimizes workplace conflict and increases trust **(Bajaj et al., 2013,).**

However, since people are involved, ERM needs sensitive handlings, especially during times of technological changes, market slump, cost-cutting and organizational restructuring. The ERM must address procedural and interactional equity, which means "people" involvement in all vital processes **(Singh & Kumar, 2011).**

Employee Intention to Quit

Rusbelt et al. (1988) conceptualized intention to turnover as the employees' inner thoughts about leaving their current assignment possibly as a result of potential negative feelings regarding the job, organization, or current work environment. Vandberg and Nelson (1999) as cited in Van Schalkwky et. al., 2010) defined intention to turnover as individuals' own estimated probability that they are constantly leaving the organization at some point

in the near forthcoming. Intention to turnover was defined as "an employee's subjective probability that he/she is permanently leaving the employer in the near future and captured the last in a series of withdrawal cognitions that also included thoughts about quitting and the search for alternative employment" (Tepper et al., 2009:157).

Job Satisfaction

According to Armstrong, (2006) Job satisfaction is the fulfillment which an employee feels in relation to their jobs and work place. It brings the question, whether the employee is happy or content at their jobs. An employee may be measuring their satisfaction in financial, non-financial or psychological contract terms. Job satisfaction degree levels of people range from extreme dissatisfaction to extreme satisfaction. People also posses various aspects attitudes regarding their jobs such as, type of job done, amount of pay, co workers subordinates and supervisors.

Research Objectives And Research Methodology:

Objective and Purpose of the Study

The objective of this study is to understand Employee Relation Management practices and its impact on Job satisfaction and employee intention to quit in the service sector organization of Dehradun It is essential to understand the effectiveness of Employee Relations activities and practices which are contributing positively towards job satisfaction and intention to quit.

Research Design

The study was undertaken in Dehradun .183 employees were drawn using a snowball sampling

technique. Primary data and secondary data were used in this study. A self-developed questionnaire was used to collect primary data . The questionnaires comprised of three sections. The first section which focuses on the demographical data of the subjects includes age, gender , ,marital status ,educational qualification, and is measured on a nominal scale. The second section contains questions based on Employee Relationship Management practices , Employee Intention to Quit and Job Satisfaction

The above mentioned dimensions were measured using a 5 point Likert scale ranging from strongly disagree (1) to strongly agree(5). The questionnaires were administered by mail in order to enable respondents to complete it at their own convenience as well as using face to face interview. Secondary data was collected through books, journals(online and print).

Hypothesis framed:

H1= There is a significant relationship between Employee Relationship Management practices and Job Satisfaction.

H2= There is a significant relationship between Employee Relationship Management practices and Employee Intention to Quit.

H3= There is a significant relationship between relationship between Job Satisfaction and Employee Intention to Quit.
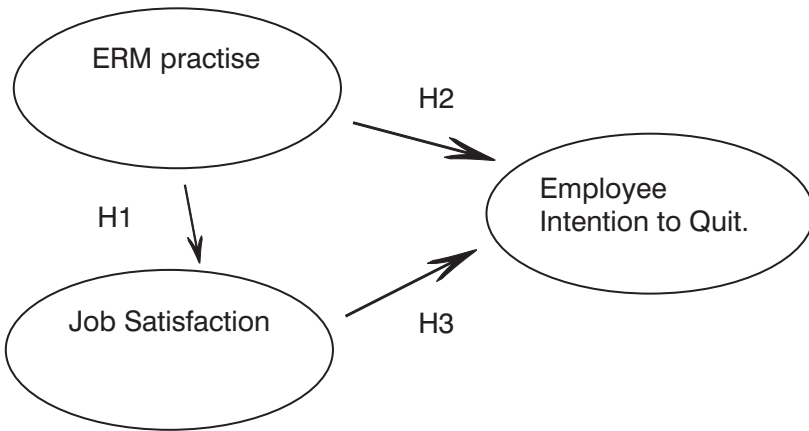
Table 1: *Demographic Characteristics of Respondents*

	Categories	Count	Percentage	
Wise Classification	18-25 Years	9	4.9	**Age**
	26 to 35 Years	119	65.0	
	36 to 45 Years	40	21.9	
	46 to 55 years	13	7.1	
	56-65 Years	2	1.1	
Gender Wise Classification	MaleFemale	138	75.4	
		45	24.6	
Marital status	MarriedUnmarried	88	48.1	
		95	51.9	
Educational Qualification	GraduatePost-Graduate Professional qualification	41	22.4	
		98	53.6	
		44	24.0	

Demographic factors are used to study a population based on factors such as age, gender, economic status, level of education, marital status, income level and employment. Demographic researches are used to collect data, evaluate data and interpret information about the people in a given population. The analysis presented in the above table reveals that sample is dominated by the young category respondent ranging in the age group of 26-35 years as it contributes 65% in the sample. Majority of the respondent are male and unmarried category. Sample is composed of highly educated person.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Health care organisation	33	18.0	18.0	18.0
	Hospitality organisation	27	14.8	14.8	32.8
	Telecom service providing organisation	37	20.2	20.2	53.0
	Banking and Insurance service organisation	46	25.1	25.1	78.1
	Educational organization	27	14.8	14.8	92.9
	Other organization	13	7.1	7.1	100.0
	Total183100.0				100.0

Nature of organization is another important demographic characteristic required to be studied. Employees engaged in different organizations have different perception ,values, attitude , salary expectation, work environment, job requirements, etc. Same ERM practices may not work effectively for employees of different nature of organization. Out of 183 respondents, 33 respondents i.e. 18% were engaged in health care organisation; 27 respondents i.e. 14.8 % were engaged in hospitality; 37 respondents i.e. 20.2 % were engaged in Telecom service providing organisation; 46 respondents i.e. 25.1% were engaged in Banking and Insurance service organisation; 27 respondents i.e. 14.8 % were engaged in health education sector; and 13 respondents i.e. 7.1% were engaged in other service organisations.

Table 3: Mean of Factors related to Employees Relationship Management Practices, Job Satisfaction and Employees Intention to Quit

	Reliability	Mean	Std. Deviation
Employees Relationship Management Practices	**.914**	3.9156	.45526
Counseling the employees		3.9781	.58325
Informal meeting		3.7541	.59270
Organizing quality circles		3.8033	.55923
Creating team spirit among members		3.7760	.58279
Establishing open and two way communication		3.8197	.56960
Involving team members		3.5410	.62653
Facilitating Career Development programs		3.5301	.60030
Sharing the companies' vision with employees.		4.5191	.60075
Gratitude and Appreciation		4.5191	.60075

	Reliability	Mean	Std. Deviation
Job Satisfaction	**.889**	3.8124	.46915
I am satisfied with the role and responsibilities assigned me in this organization		3.7596	.57139
I am satisfied with the compensation, company perks and other benefits		3.7049	.61154
I am satisfied with the company's policies and rules		3.8415	.57610
I am satisfied with the nature of staff relationships with coworkers & supervisiors		3.9235	.57860
I am satisfied with their future growth opportunities & carrer development		3.9563	.57249
I am satisfied with the recognition and praise in the organization		3.6885	.59874
Employees Intention to Quit	**.919**	4.3716	.51775
I wanted to stay with the organization for remaining years of my services		3.9781	.58325
I am not looking for the another job prospect		4.5191	.60075
I am not willing to leave my present job even i if I get opportunity elsewhere		4.5191	.60075
In spite of having confidence of getting another job better than my present job I am intending to quit my present job		4.5355	.57186
Given my age, education and the general economic condition of attaining a suitable position in some other organization is slim		4.3443	.66013
It won't be easy to find an acceptable alternative employment		4.3333	.65745

Employees Relationship Management Practices consist of 9 practices with reliability=.914 ; mean =3.9156 and S.D. = 45526. ERM practices includes counseling the employees ;Informal meeting; Organizing quality circles; Creating team spirit among members ;Establishing open and two way communication ;Involving team members ; Facilitating Career Development programs; Sharing the companies' vision with employees; Gratitude and Appreciation. Factors related to job satisfaction has reliability = .889 with mean= 3.8124 and .46915 .It includes variables like I am satisfied with the role and responsibilities assigned me in this organization, I am satisfied with the compensation, company perks and other benefits, I am satisfied with the company's policies and rules, I am satisfied with the nature of staff relationships with coworkers & supervisors, I am satisfied with their future growth opportunities & career development, I am satisfied with the recognition and praise got in this organization. Factors related to Employees Intention to Quit has reliability =.919 with mean=4.3716 and S.D. = 51775. It includes variables like I wanted to stay with the organization for remaining years of my

services , I am not looking for the another job prospect ,I am not willing to leave my present job even if I get opportunity elsewhere, In spite of having confidence of getting another job better than my present job I am not intending to quit my present job, Given my age, education and the general economic condition, the chances of attaining a suitable position in some other organization is slim and It won't be easy to find an acceptable alternative employment.

Table 4 : One Way ANOVA

		Sum of Square	df	Mean Square	F	Sig.
Job Satisfaction	Between Groups	31.595	20	1.580	30.238	.000
	Within Groups	8.463	162	.052		
	Total	40.059	182			
Intention to Quit	Between Groups	34.291	20	1.715	19.160	.000
	Within Groups	14.496	162	.089		
	Total	48.788	182			

One way ANOVA was conducted to check the impact of ERM practices on job satisfaction and employee intention to quit. It was found that the value of significance is .000 which is less than .05.Thus it indicates that ERM practices has a significant impact on job satisfaction and employee intention to quit.

TESTING THE HYPOTHESES

Table 4 : Correlations

		ERM Practise	Job Satisfaction	Intention to Quit
Employee Relationship Management Practices	Pearson Correlation	1	.774	.748
Job Satisfaction	Pearson Correlation	.774	1	.543
Intention To Quit	Pearson Correlation	.748	.543	1

Above table shows that all three variables of the research model are significantly related to each other ERM practices had a positive strong relation with job satisfaction and employee intention to quit.(with r=.774 and r=.748).Job satisfaction and employee intention to quit were also moderately related with each other(with r= .548).

Regression Analysis

Regression analysis was used to find out the relationship between variables of the study.

Table 5: *Regression Analysis*

Dependent Variable : Job Satisfaction

Independent Variable : Employee Relationship Management Practices	**Beta** .798	**t-Value** 16.466	**P Value** .000
R= .774a R2 = .600 F= 271.140	P=.000		

Dependent Variable :Employee Intention to Quit

Independent Variable : Employee Relationship Management Practices	**Beta** .850	**t-Value** 15.145	**P Value** .000
R= .748a R2 = .559 F= 229.371	P=.000		

Dependent Variable : Employee Intention to Quit	**Beta**	**t-Value**	**P Value**
Independent Variable : Job Satisfaction	.543	8.701	.000
R= .543a R2= .295 F= 75.706	P=.000		

The value of R square is 60% indicates that Employee Relationship Management practices explain 60% variance in job satisfaction. The relationship between ERM practices as independent variable and job satisfaction as dependent variable is indicated by standardized coefficient beta with a value of .798.The significance of beta is tested using t-test and value found is 16.466 which is significant at 0 level of significance indicating strong positive relationship between Employee Relationship Management practices and Job Satisfaction.

The value of R square is 55.9% indicates that Employee Relationship Management practices explain 55.9% variance in Employee Intention to Quit. The relationship between ERM practices as independent variable and Employee Intention to Quit as dependent variable is indicated by standardized coefficient beta with a value of .850. The significance of beta is tested using t-test and value found is 15.145 which is significant at 0 level of significance indicating strong   positive relationship between Employee Relationship Management practices and Employee Intention to Quit.

The value of R square is .295 % indicates that Job Satisfaction explain .295 % variance in Employee Intention to Quit. The relationship between Job Satisfaction as independent variable and Employee Intention to Quit as dependent variable is indicated by standardized coefficient beta with a value of .543. The significance of beta is tested using t-test and value found is 8.701 which is significant at 0 level of significance indicating strong positive relationship between Job Satisfaction and Employee Intention to Quit.

Employee Relationship Management practices has significantly high positive relationship with Job Satisfaction in comparison to the relationship between Employee Relationship Management practices and Employee Intention to Quit as well as Job Satisfaction and Employee Intention to Quit. These results "supported H1, H2, and H3".

Conclusion

The results revealed that all variables of research model had significant relationships

between each other. The regression analyses reported that Employee Relationship Management practices has significantly positive relationship with Job Satisfaction in comparison to the relationship between Employee Relationship Management practices and Employee Intention to Quit as well as Job Satisfaction and Employee Intention to Quit.

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CRITERIA CONSIDERATION OF THE SEAFOOD EXPORTERS IN THE INTERNATIONAL MARKET

Abstract

Criteria are the combinations of the terms and conditions in the trade. It is important one in the international trade. But the criteria consideration level of the exporters is based on various factors familiarity of the exporter, competition intensity level in the market and so on. This researcher paper analyse the criteria considered by the seafood exporters in Tamil Nadu. The data has been collected from the 230 seafood exporters of Tamil Nadu by using interview schedule method. The collected data has been processed by applying the Friedman test and multiple regression analysis. From the analysis it is found that trustable settlement system is the predominant factor considered by the exporters among the twelve criteria.

Keywords: Criteria, Seafood, International Market, Multiple Regression, Friedman test

Introduction

Criteria are the terms and conditions in the trade. It is necessary for the purpose of smooth flow of trade without any barriers. Criteria are not just emerged as the mushroom in the rain. Every criterion is added with the formalities of the trade in day by day. The majority of the trade criteria are entered with the cause of answering the problems in the business. In the seafood business of international trade, traders do not have an opportunity to understand each other easily for that purpose trade criterion have been framed. Trade criteria are useful to prevent the fraud in the trade and also structure the trade. The seafood business is needed with lot of criteria because of the nature of the goods is eatable and perishable. The criteria is not framed well which leads to the serious problems in the market.

REVIEW OF LITERATURE

K.V.Varambally (1990) had analysed the export performance of marine products for the period from 1981-1988. He found that exporters are considered climate conditions and processing capacity for to promote the Indian marine products in international market. In addition with this, exporters understand the changes of customer preferences, scan the global environment to identify the strength and weakness, opportunity and threats of the Indian marine products exporters in the international markets.

M.Krishnan et.al., (1998) wrote an article entitled "Pricing fish: A study of the economic and behavioral factors". The study found that fish was the perishable commodity that was needed high preservation and frozen needs for the supply of high quality fish in the hands

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of importer, but this preservation increase the fish prices in the international market. They concluded that exporters considered fair price per unit of the fish in the international trade through proper preservation facilities.

Kuruvilla Thomas (2005) presented his paper in Indian seafood export. In this paper he opined that the role of Marine Products Exports Development Authority (MPEDA) and its activities such as developing and regulating off-shore and deep sea fishing, registering fishing vessels, processing plants, fixing standards for export marine products, rendering of financial and other assistance, carrying out inspection of marine products, regulating the export of marine products, registering of exports, collecting statistics are initiated for the promotion of seafood export in India. The study highlighted the problems of payment system faced by the seafood exporters in international market such as China, Japan, USA and European Union (EU).

Houcine Boughanmi et.al., (2007) made a study with the objective of identify the key variables such as INCO terms, expected delivery time, market environment, size of the order, firm size and competencies, management characteristics, management perceptions and attitude and marketing strategies impact on the export performance at the firm level and frame the policy implication necessity to enhance the Oman fish exports. The results of the study reveals that managers education level, previous work experience, commitment to export activities, diversification, availability of information about the foreign market of the variables are significantly affect the export performance of seafood in Oman.

Femeena Hassan et.al., (2012) argued that Hazard Analysis and Critical Control Point (HACCP) are highly capital intensive, which cannot to be borne by small seafood processing units. The costs of implementation of HACCP are realized from the market price of the products, it can be done in the export oriented units. Domestic fish marketing in India is constrained with inadequate infrastructure, limiting consumption to areas in the vicinity of landing centres. The HACCP plan based seafood cannot to be purchased by low per capita consumers even though the particular consumers are highly quality conscious in their purchase decisions.. The study concluded that quality control in seafood can be achieved by economic measures, rather than adopting high cost of international quality infrastructure. For achieving the quality, effective measures should be adapted from the capture of fish to the consumption stage.

Kaushal (1997) examined the quality consciousness of marine products export from India. The study deals with the problem of Indian marine consignments, because majority of the importers returned the goods exported from India. The study underlines the decline in fish landing due to bad climate conditions also the reason for fall in fish exports. The study

suggested that initiate the effort at exporting the value added products and developing the new markets would also help for Indian exporters in future export.

Leo van Mulekom et.al., (2006) opined that the highest export volume level and quoted currency in the trade of the seafood lead to increase the foreign exchange earnings to the country, but it has negative impact on the domestic food security, decrease in local economic productivity, increase in extraction rates and destruction of natural coastal resources. They are concluded that extraction level of the seafood should be monitored, and aquaculture to be developed particularly popularized exported items are the effective measures needed to improve the seafood export.

Sandu Joseph Secretary of the Seafood Exporters Association of India (2012) said that the hike in shipping charges has dealt with the severe drive to the seafood exporter, who has already involved with the seafood export under the effect of exorbitant Terminal Handling Charges, continuous fall in the international prices, steep rise in input costs especially in diesel expenses. He mentioned that in order to manage the expenses exporters are expecting the pre shipment facility and advance payment in the international trade. He has finally concluded that market conditions of the seafood export are not viable in the year of 2012.

OBJECTIVES OF THE STUDY

1. To Study the Demographic Profile of the Respondents
2. To find out the most influencing criteria that are considered by the respondents
3. To analyse the impact of the demographic profile on the criteria considered by the respondents

HYPOTHESES OF THE STUDY

1. There is no significant difference among the responses of the respondents about the criteria considered for accepting the importers.
2. There is no significant linear relationship between demographic profile of the exporters and criteria considered for accepting the export order.

METHODOLOGY

This study is mainly based on the primary data. It is collected from the seafood exporters of Tamil Nadu by using the interview Scheduled method. The sample size 230 has been considered for the study by using lottery method under simple random sampling.

Friedman test and multiple regression analysis have been used to achieve the objectives of the study.

ANALYSIS

DEMOGRAPHIC PROFILE OF THE RESPONDENTS

Demographic profile of the respondents is prerequisite for the social science research. It is useful to identify the status of the exporters to compare the demographic profile of the exporters with other variables used in the study. The researcher has selected the age of the exporter, educational qualification, experience, types of exporter and ownership type of the firm are taken as demographic profile for the study.

Table.1 Demographic Profile of the Respondents

Variables	Attributes	Frequency	Percentage to Total 230
Age of the Exporter	18 to 28	65	28.3
	28 to 38	82	35.7
	38 to 48	33	14.3
	48 to 58	28	12.2
	Above 5865	22	9.6
Educational Qualification	High school level	30	13.0
	Higher Secondary level	34	14.8
	Graduate	44	19.1
	Post Graduate	77	33.5
	Others	45	19.6
Experience	Below 5 years	74	32.2
	5 to 10 years	63	27.4
	10 to 15 years	29	12.6
	Above 15 years	64	27.8
Types of Exporter	Merchant Exporters	141	61.3
	Manufacturer Exporters	89	38.7
Types of ownership of the firm	Sole Proprietor	97	42.2
	Partnership	67	29.1
	Private Limited	64	27.8
	Public Limited	2	0.9

Source: Primary Data

From Table 1 it is understand that, 35. 7 percent of the respondents belong to the age group of 28 to 38 years, 33.5 percent of them are postgraduates, 33.2 percent of them are having below 5 years of experience in the business, 61.3 percent of them belong to the category of merchant exporter and 42.2 percent of them are operating their business as sole proprietorship.

CONSIDER CRITERIA FOR ACCEPTING THE EXPORT ORDER

Criteria are the terms and conditions in the international trade. But the consideration of the criteria is based on the exporters. Table.2 explains the exporter opinion on criteria considered in the international trade.

Table.2 Consider Criteria for Accepting the Export Order

Sl.No	Criteria	No. of Respondents	Percentage to Total
1	Consider	230	100
2	Not Consider	0	0
	Total	230	100

Source: Primary Data

From the table.2, it is clear that all the respondents (100 percent) have considered the various criteria before accepting the order from importer.

CRITERIA CONSIDERED FOR ACCEPTING THE EXPORT ORDER-FRIEDMAN TEST

Export plays a crucial role in the international trade. In the ordering negotiation process, exporters bargain the trade terms favorable to them. In general, the exporters not only consider the factors from the importers side but also consider some of the factors from their side and the trade intermediaries such as bankers, financier, and shippers and so on. Once it is accepted by the exporters and importers the trade has been executed.

In order to assess the order of importance of the various factors considered by the exporters before accept the export order, the researcher has applied the Friedman test. It is a non parametric test. The result of the Friedman test reveals the mean ranking of each variable. Based on the mean rank which one is in the top position under the 12 criteria considered by the exporter before accept the export order. The ranks are assigned based on the total scores by using SPSS packages.

Table.3 Criteria Considered for Accepting the Export Order-Friedman Test

Sl.No	Particulars	Mean Rank	Chi-square	P Value
1	Size of the order	7.39		
2	Fair price per unit	7.18		
3	Advance payment	6.83		
4	Quoted currency	6.52		
5	Trustable settlement system	7.58		
6	Expected delivery time	7.26	171.816	0.001**
7	Past trade record of the importer	5.05		
8	INCO terms responsibility	6.68		
9	Pre shipment finance facility	5.93		
10	Climate conditions	6.44		
11	Processing capacity	5.60		
12	Shipping line	5.56		

Note: **denotes that the significant @ 1 percent level   Source: Primary data

Table.3 shows that P value of 0.001 which is less than the ideal P value of 0.05 the null hypothesis is rejected at one per cent level of significance. Hence it is concluded that there is significant difference between mean ranks towards the criteria considered by the exporter before accepting the order of importer. Based on the mean rank, it is found that respondents have the importance of trustable settlement system, followed by size of the order and expected delivery time is the third position while accept the export order.

Demographic Profile Of The Exporters And The Criteria Considered For Accepting The Export Order-Multiple Regression

Export is the business carried out beyond the boundary of the domestic country. From that perspective, importer and exporter may not have the opportunity to know completely about each other and their country business environment. The gap between the importer and exporter leads to create the terms and conditions in the business for the safe mode of business. In the initial process, importers place orders to the exporter, if the exporter accepts the ordering terms and conditions. There are factors like age, educational qualification, experience, types of ownership and types of exporter have some relationship with the criteria considered for accepting the export order. In order to test this relationship, multiple regressions have been used.

Multiple Regression is a multivariate statistical analysis that involves one dependent variable and two or more than two independent variables. The variable wanted to predict is called as dependent variable. The variables used for predicting the dependent variable is called as independent variable.

Age of the exporter, educational qualification, experience, types of exporter, and types of ownership are independent variable and the dependent variable is criteria considered for accepting the export order. The regression of Multiple R value is one of the best qualities of the prediction of the dependent variable. The value of multiple R ranges from zero to one.

In order to test the prediction level of each independent variable on dependent variable regression table is considered. But to test the significant level every independent variable on dependent variable P value is considered for rejecting or accepting the null hypothesis.

Table.4 *Demographic Profile of the Exporters and the Criteria Considered for Accept the Export Order-Multiple Regression*

Dependent variable	Criteria considered for accepting the export order
Independent variable	Age of the exporter (X1) Educational Qualification (X2) Experience (X3) Types of exporter (X4) Ownership types of firm (X5)
Multiple R	.634
R square value	.402
Adjusted R square value	.392
ANOVA F value	5.619
ANOVA P value	0.001

Source: Primary data

Table.4 displayed the R value 0.634 is a measure of linear correlation relationship all the independent variable with the dependent variable. R square represents how the data is closeness to the fitted regression line. It is also known as coefficient of determination. The R square value is the multiplication of R value it is .402. Adjusted R square .392 shows the proportion independent variable closure with the dependent variable.

Through ANOVA, it is found that, the regression model is found to be statistically fit because the value of P is 0.001 which is less than the ideal value of 0.05.

Demographic Profile Of The Exporters And The Criteria Considered For Accept The Export Order - Multiple Regression

There are two forms of beta used in this table such as standardised co-efficient of beta and unstandardised co-efficient of beta. The unstandardised co-efficient of beta is useful to frame the regression equation. It is also useful to find out the changes of every independent variable on the dependent variable.

Table.5 Demographic Profile of the Exporters and the Criteria Considered for Accept the Export Order-Multiple Regression

Variables	Unstandardized	Coefficients	Standardized Coefficents	t- value	P value
	Beta	Std. Error	Beta		
Constant	48.490	2.075	-----	23.367	.001
X1	.055	.409	.014	.137	.894
X2	.958	.336	.246	2.853	.005
X3	.907	.376	.215	2.396	.017
X4	-3.089	.791	-.298	-3.903	.001
X5	.603	.454	.101	1.327	.186

Source: Primary data

The framed equation of the regression is that

$Y = a + bx1 + bx2 + bx3 + bx4 + bx5$

$Y = 48.490 + .055X1 + .958X2 + .907X3 + -3.089X4 + .603X5$

Table.5 explain that the twelve criteria computed and taken as the single dependent variable called as criteria considered for accepting the export order and the five independent variables such as age of the exporter (X1), educational qualification (X2), experience (X3), types of exporter (X4), types of ownership (X5) are taken as the predictor variables called as independent variable.

The results shows that educational qualification (t= 2.483, p=.005), experience (t=2.398, p=.017) and types of exporter (t=-3.903, p=.001) reject the null hypothesis. It means educational qualification, experience of criteria consider for accepting the export order. Other factors such as age of the exporter and types of ownership are also consistent and but not significant with the dependent variables due to the P value of the respective variables are above 0.05

SUGGESTIONS

1. Educational qualification and experience of the exporters plays the vital role in accepting the orders from foreign customers. So exporters may enrich their knowledge in the seafood business by attending the workshop and trade fair conducted by the MPEDA about the

export.

2. Settlement system have the highest importance among the twelve criteria considered by the exporters, so exporters may improve their knowledge towards the foreign exchange transactions

CONCLUSION

Export is the nerve of circulating the plentiful of resources to the needy people in the food sector seafood is having the highest the potential in the international market. Along with this, Tamil Nadu exporters are having the brackish water aquaculture with the marine sources. Utilize the opportunity which helps the Tamil Nadu to occupy the respectable first place among the various states in the seafood export of India. For the smooth flow of the trade the criteria are very useful in the trade but the intensity level of the criteria consideration level leads to delay in the movement of the goods and reaching to the customer hands. Exporters is needed with the good finance facilities for to offer the goods in liberal credit terms to the exporters for the importer have an impact on earnings of foreign exchange to the country. The further research that may be engaged in the field of criteria consideration level of the agricultural goods is benefitted to India to stand in the list of world economics for the show their strength in the economy.

The research is benefit to the seafood exporters for to take the corrective steps and attract the market opportunities existed in the international market. The researcher concluded that criterion consideration level is needed to the exporters but the consideration level is mandatory for the export growth in future.

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RELATIONSHIP MANAGEMENT AND ITS IMPACT ON CUSTOMER SATISFACTION IN HOTEL INDUSTRY

Abstract

The purpose of this paper is to investigate the impact of CRM applications and system on customer satisfaction in the hotel industry especially in the hotels of Chandigarh. How customers interact and seek information, as well as the way of purchasing products/services. Customer relationship management (CRM) is one of the effective strategic initiatives that hotels use to improve their marketing capabilities and to implement interactive, personalized and relevant communication with customers. Today, hotel managers are completely aware of benefits that CRM as a marketing tool offers to their business, and accordingly, they are motivated to create greater awareness of their hotels with the goal of increasing number of customers and improving hotel image. The results indicate that the implementation of customer relationship management attracts new customers and retains existing customers of Hotels.

Key words: Customer Relationship Management, Customer Satisfaction

Introduction

The Indian hotel industry is experiencing increased globalization, competition, higher customer turnover, growing customer acquisition costs and rising customer expectations, meaning that hotels performance and competitiveness is significantly dependent upon their ability to satisfy customer efficiency and effectively. In the hotel industry the basic products (rooms) are very similar, when comparing the same quality level the customer focuses are on soft factor like personal treatment, personalization, one to one marketing and attention by the hospitality professions. The hotel industry enjoys easy data access as the guests need to register their name and address during check-in and in some countries, guests even need to provide their passport data and more detailed private information. In addition, people are very likely to share their personal preferences with hotel staff to make their stay more enjoyable. The hotel can make use of this database combined with IT and give the guests a unique experience. They can establish a close relationship with customers and meet their needs perfectly. In order to be able to compete on a highly competitive market a hotel has to meet every single customer's needs and expectations. To do this it is important to understand the aspects of business performance that persuade customers to become repeat purchasers and to exhibit behavioral loyalty as it costs five to ten times more to sell to a new customer than to an old customer.

To enhance profitability and guest satisfaction and loyalty, the organizations (hotels) should focus on implementing Customer Relationship Management (CRM) strategies that aim to seek, gather and store the right information, validate and share it throughout the organization. Dominici and Guzzo (2010) said that to be successful in the market it is not

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sufficient to attract the new customers but to concentrate on existing customers implementing effective policies of customer satisfaction and loyalty. The level competition in the Indian hotel industry is becoming more and more intense as new hotels come up including international chains. To win customers and encourage them to stay loyal or repurchase the service, the hotels should work to meet and satisfy customer needs by not being only reactive but proactive. The hotels should optimize communications with their customers to ensure profitable long-term relationships. It is to a hotel's interest to engage in CRM activities, which include understanding customer requirements and expectations; delivering of services, which create value for the customer, remain in contact with customers and managing customer lifecycle effectively and efficiently. CRM is about putting the customer at the center of organization activities. CRM involves creating long-term relationships with the customers through effective consumer centric marketing strategies such as permitting consumers

to customize their own products to their personal needs and requirements using electronic tools, personalizing communications to each consumer and marketing to each individual customer.

The study aims at evaluating consumer centric marketing practices in the Indian hotels and their contribution to business performance. In the present study, an attempt will be made to examine the present level of CRM practices in hotels and their impact on customer satisfaction and hotel performance. The present study will add to the body of knowledge in the area of relationship marketing, CRM strategies and organizational performance in the hospitality sector. The present study can be useful for hotels for making suitable policies for developing effective CRM practices and maintaining long lasting profitable relationship with their customers. Moreover, it is believed that only with a few modifications, the result of this research can be useful to other service organizations.

Literature Review

According to Mahatma Ghandi, *"The customer is the most important person for a business; he is not an interruption to our work but the purpose of it. He is not an outsider; he is part of it. We are not doing him a favour; he is doing us a favour by giving us an opportunity to serve"*.

It is successfully observed that the concept of CRM can be defined in different ways. It also means different things to different people, depends on the working environment CRM has been used in organizations. In the 21st Century CRM is playing a vital role for the entire business environment including hotel business all over the world. For the hotel sector, success and profitability are dictated by the ability to continually acquire, retain and service their customers, and ensure that customers remain customers for life.

These relationships development with customers will lead to improved customers' satisfaction, which in turn make them loyal customers.CRM will be ideally suited to the hotel industry, especially when implementing it successfully and effectively, taking into our account that hotels receive a lot of data about customers. Such data can be transformed into useful knowledge about them (Kotler, 2002; Lin and Su, 2003; Mguyen et al., 2007; Nasution and Mavondo, 2008; Dev and Olsen, 2000).

Sigala and Connolly, (2004); Olsen and Connolly,(2000); Siguaw and Enz,(1999), in their work emphasized that hotel has to meet every single customers need and expectation in a high competitive environment. Abdul Alem et al. (2013) investigate the relationship between various CRM dimensions and organization performance towards financial, customer, internal process, learning and growth of three and five star hotels. The responses were collected from 152 managers of Malaysian hotel sector. The result of this study shows that CRM dimensions like customer orientation, CRM organization, knowledge management and technology based CRM have a positive and significant impact on different perspectives of hotel performance.

According to Dr. Potukuchi Thryambakam and Anand Bethapudi (Associate Professor, 2013) Organizations engaged in travel, tourism, lodging, transportation, entertainment, food & beverage, tour packaging etc., are covered under hospitality industry. In hospitality industry, huge buildings and food equipment do not matter but the quality and standard of delivery of the services do recognized as an important factor. In the context of the above, an attempt is made to find the factors contributing to customer satisfaction with reference to various services offered to the customers by the star hotels in Hyderabad/Secunderabad. It is observed that Housekeeping services are playing an important role followed by front office services, conference hall facilities, interior/exterior facilities, room services, maintenance services, room arrangements and finally other facilities. Amirreza et al. (2013) in their study aims to test the relationship of perceived value, service quality and customer expectation with customer satisfaction across five different 3-star hotels of Kuala Lumpur, Malaysia. The authors concluded that there is a relationship between perceived value, service quality, customer expectation and customer satisfaction but service quality as the most significant factor for effecting the customer satisfaction. Priya et al. (2013) their casual and descriptive research design analyzing that how private, public and foreign sector banks can use CRM concept in converting customer need as business opportunity. A finding of this study shows that there is a significant difference towards use of CRM tool for measuring customer satisfaction among various groups of banks. According to Anand Bethapudi (2013), Organizations engaged in travel, tourism, lodging, transportation, entertainment, food & beverage, tour packaging etc., are covered under hospitality industry. In hospitality industry, huge buildings and food equipment do not matter but the quality and standard of delivery of the services do recognized as an important factor. In the context of the above, an attempt is made to find the factors contributing to customer satisfaction with reference to various services offered to the customers by the star hotels in Hyderabad/Secunderabad. It is observed that Housekeeping services are playing an important role followed by front office services, conference hall facilities, interior/exterior facilities, room services, maintenance services, room arrangements and finally other facilities. Regarding the customer loyalty, the present study clearly shown that the customers whose overall satisfaction is extreme, they are most likely to choose the hotel in future. Acquiring new customers costs much; therefore the hotels have to see that overall customers must satisfy so that they will have repeated customers.

By Amonca (20014) Customer Relationship Management, or "CRM", is one of the most

important topics in the world of business. Its effects and dimensions simply cannot be denied. Without proper customer relationship management, there is no way to attract and retain customers to the business and therefore to be profitable. Today, especially in the Hotel industry, CRM is crucial. The hotel industry is facing an increasingly competitive market that pushes the hotels to have a greater need to differentiate for their customers. Hotels need to have a deep knowledge of their customers' needs, behavior, and preferences to be aware of the ways in which their hospitality services will be delivered. The purpose is to create value and therefore, stimulate customer retention and loyalty. In other words, they need create an exceptional experience adjusted to their customers' needs to maintain the company's long-term success; and that is exactly what Four Season Hotels and Resorts do.

Prof. Mahesh Chhaburao Wilayate and Dr. R. P. Deshmukh(2014) the hospitality is one of the fastest growing sectors of the economy. The Indian hospitality sector is witnessing one of its rare sustained growth trends. The successful growth story of 'Hotel Industry in India' seconds only to China in Asia Pacific. Today, the hotel industry is facing an increasingly competitive market that pushes the hotels to have a greater need to differentiate for their customers. Hotels need to have a deep knowledge of their customers' needs, behavior, and preferences to be aware of the ways in which their hospitality services will be delivered. Thus, in the hospitality industry, customer relationship management (CRM) becomes a strategic imperative for attracting and increasing guests' patronage. CRM has been increasingly adopted because of its benefits of greater customer satisfaction and loyalty, which in turn, leads to enhanced financial and competitive performance.

Aradhana Chadha(2015) Customer Relationship Management is a process of managing customer relations in an organized way. They aim at managing each "Moment Of Truth" that is experienced by the customer. There are various contact points where the hotel comes in direct contact with the customer which are known as 'Touch points' in the CRM language. The objective of CRM is to recognize and treat each and every customer as an individual. Customer relationship management enables organizations to provide excellent real-time customer service through the effective use of individual account information.

Ahmad Sarlak (2014), stated that in trade world, it was focus on customer relationship management concept. Although in past customer servicing were in lower degree in organizations, today's organizations are considered their customers in center of all activities, and they are revised marketing strategies and their sales based on them. CRM have more importance in servicing organizations such as banks, transportation industry, medicine services, insurance, hotels, etc.

Since customer take account part of addressed service in servicing process, it should considered strategies to personalize these services for each customer. Development of each CRM system are very complex that it was required a subtle planning, modeling and execution to recognize and analyze main advantages. Therefore, customer loyalty must be considering as an important issue and it is required to increase the customer loyalty by positive impact of CRM strategy and customer satisfaction. In spite of the most essential advantages of CRM, there are some difficulties in CRM implementation for different organizations.

Objective of the study

The main purpose of this study is to understand the feasibility of the CRM in the hotel

Industry as CRM has become one of the important techniques in the market of competitive world.

- To identify the various CRM practices adopted by Hotels of different category in Chandigarh region.
- To examine the relationship between CRM practices and their impact on customer satisfaction.

Assumption of Hypotheses

Ho: There is no Significant Difference of different CRM practices of different hotels in generating customer satisfaction.

Ho1: There is Significant Difference of different CRM practices of different hotels in generating customer satisfaction.

This study seeks to determine the factors that contribute to Customer relationship management (CRM) and its impact on customer satisfaction in Hotel industry. CRM is one of the critical strategies that can be employed by organizations to improve competitive advantage. An attempt is made to assess the relationship between factors that influence customer in their choice hotel services. For this 191 customers visiting different hotels of metropolitan of Chandigarh-Mohali-Panchkula collectively forms a Tri-city, were chosen. In order to collect the data for this study, the survey questionnaire method was adopted. An interview schedule was also developed based on the analysis of the responses in the survey questionnaire. The questionnaire and interview schedule were validated to ensure that the instruments were appropriate for their purposes. The reliability of the questionnaire was 0.922 indicating that the questionnaire would measure what it was purported to measure by Cronbach's Alpha. KMO test was carried out to assess data adequacy for conducting factor analysis. Value of KMO was found to be .891 which is sufficient enough to go far factor analysis. Before the questionnaire was distributed to the sample, it was piloted on twenty five students to obtain feedback on the clarity of the items. A few minor errors were detected. After the errors were corrected, the questionnaire was administered to the sample. The responses to these parameters were gathered, coded, tabulated and analyzed. To test the hypothesis various statistical techniques like Mean, standard deviation, factor analysis and 2 test and ANOVA was applied. Table 1 indicate the demographic characteristic of the respondents

Table 1 Profile of Employees

SI No		Description	Frequency	Percentage
1	Gender	male	152	79.6
		female	39	20.4
2	Education	Upto Graduation	30	15.7
		POst Graduation	22	11.5
		Professional Qualification	75	39.3
		Others	64	33.5
3	Income Level	Rs. 25000PM	26	13.6
		Rs. 25000 to Rs. 50000PM	30	15.7
		Rs. 50000 - Rs. 100000PM	30	15.7
		Rs. 100000 - Rs. 200000PM	69	36.1
		More than Rs. 200000PM	66	18.8

Factors Analysis

Understanding customer relationship   has been of major interest for management. Marketing and operations decisions are significantly based on how the customer relationships are management by the management. The empirical study indicates that customer of hotel industry make   decision based on their own personal attributes such as age and education, and their professional aspiration as well as well as how good are their experience with the relationship with the hotel staff. These components are viewed together since they are highly interdependent and together represent forces that influence how the customer will react to the subject. Keeping these into consideration, an attempt was made to assess the customers' satisfaction from the different relationship management practices opted by the hotel management to influence customers. For this respondents were asked to give their views on a rating scale on the following statements such as Company is able to give excellent customer service at any point, Questions and quires are solved quickly, People in the organization treat customers with great value, Any problem when informed is solved immediately, Makes an effort to find out about the key customers, Services provided by hotel is trustworthy, Customer service personnel are pleasant and knowledgeable, Employee training programs are designed to develop skills, Individual customer information is available, Company keeps its promise, Willing to help customers in a responsive manner, Right use of hardware, CRM solved your business problem, Usefulness of CRM from business perspective, Has sales and marketing expertise, Hotel sending the season's greetings in remembering the hotel for long time, Organization providing customized services to its customer, CRM applications or systems helps in understanding customer, Keeps the database about customers likes and dislikes., Right software to serve customer, Sending cards/wishes on special occasion, Performance is measured based on meeting customer needs, Relationship with customer is given great value, Organization is willing to modify their products and services as per customer needs, Organizations provides customized services to key customers etc. For this purpose, respondents were asked to rate the various statement on a scale of 1 to 5 in order of their preference. The exploratory factor analysis was used in order to identify the various motivational factors of selecting particular hotel.   Principal Component analysis was employed for extracting factors and orthogonal rotation with Varimax was applied. As latent root criterion was used for extraction of factors, only the factors having latent roots or Eigen values greater than one were considered significant; all other factors with latent roots less than one were considered insignificant and disregarded. The extracted factors along with their Eigen values are shown in Table 6. The factors have been given appropriate names on the basis of variables represented in each case. The names of the factors, the statements, the labels and factor loading have been summarized in Table 6. There are four factors each having Eigen value exceeding one for motivational factors. Eigen values for six factors are 12.44, 4.007, 1.631, and 1.196 respectively. The index for the present solution accounts for 77.094% of the total variations for the relationship factors. . It is a pretty good extraction because we are able to zero-in on the number of choice factors (from 25 to 4 underlying factors), we lost 22.06 % of information content for choice of variables. The percentages of variance explained by factors one to four are 49.759%, 16.03%, 6.522% and 4.783% respectively. Large communalities indicate that a large number of variance has been accounted for by the factor solutions. Varimax rotated factor analysis results for motivational factors are shown in table 5 which indicates that after 4 factors are extracted and retained the communality is .830, for variable1, .805 for variable 2, 0.769 for variable 3

and so on. It means that approximately 83% of the variance of variable1 is being captured by extracted factors together. The proportion of the variance in any one of the original variable which is being captured by the extracted factors is known as communality (Nargundkar, 2002).

Table 2 Rotated components and Associated Variable

Rotated Component Matrixa					Communality
	Component				
	1	2	3	4	
Company is able to give excellent customer service at any point	.892				.830
Questions and quires are solved quickly	.814				.805
People in the organization treat customers with great value	.803				.769
Any problem when informed is solved immediately	.780				.865
Makes an effort to find out about the key customers	.778				.631
Services provided by hotel is trustworthy	.774				.743
Customer service personnel are pleasant and knowledgeable	.770				.858
Employee training programs are designed to develop skills	.768				.666
Individual customer information is available	.768				.791
Company keeps its promise	.650				.723
Willing to help customers in a responsive manner	.618				.549
Right use of hardware		.882			.883
CRM solved your business problem		.818			.779
Usefulness of CRM from business perspective		.818			.744
Has sales an marketing expertise		.813			.761
Hotel sending the season's greetings in remembering the hotel for long time		.809			.896
Organization providing customized services to its customer		.789			.775
CRM applications or systems helps in understanding customer		.786			.778
Keeps the database about customers likes and dislikes.		.666			.886

Rotated Component Matrixa					Communality
	Component				
	1	**2**	**3**	**4**	
Right software to serve customer		.549			.655
Sending cards/wishes on special occasion			.739		.880
Performance is measured based on meeting customer needs		.628		.806	
Relationship with customer is given great value			.530	.398	.588
Organization is willing to modify their products and services as per customer needs				.677	.822
Organizations provides customized services to key customers				.654	.790
Total (Eigen Values)	12.44	4.007	1.631	1.196	
% of Variance	49.759	16.03	6.522	4.783	
Cumulative %	49.759	65.788	72.31	77.094	

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 10 iterations.

Table 3 Mean of Different CRM practices Across the Gender Categories of Respondents

Gender	System Responsiveness	Technological CRM	Value centric Approach	Customer Perspectives
Male	3.8822	3.2151	3.6447	3.6809
Female	3.7413	3.7615	4.1880	4.0897
Total	3.8534	3.3267	3.7557	3.7644

The information presented in the above table indicates the Mean of different factor affecting CRM does not differs significantly across the gender categories of respondents. It is seen that System Responsiveness has scored highest mean among male categories respondent and Value-centric Approach has scored highest mean 4.188 among the female category of respondents. Overall system responsiveness has score highest mean in among all the factors of CRM.

Table 4 One Way ANOVA of Mean of Different CRM practices Across the Gender Categories of Respondents

		Sum of Squares	df	Mean Square	F	Sig.
Responsiveness Gender	*Between (Combined) Groups	.616	1	.616	.935	.335
	Within Groups	124.601	189	.659		
	Total	125.218	190			
Technological orientation Gender	Between (Combined) *Groups	9.266	1	9.266	10.900	.001
	Within Groups	160.668	189	.850		
	Total	169.934	190			
Customer value centric *Gender	Between (Combined) Groups	9.161	1	9.161	19.075	.000
	Within Groups	90.770	189	.480		
	Total	99.931	190			
Customer perspectives Gender	Between (Combined) *Groups	5.187	1	5.187	5.440	.021
	Within Groups	180.211	189	.953		
	Total	185.398	190			

Inference: It was hypothesized that Mean of Different factor affecting CRM does not differs significantly across the gender categories of respondents. One way ANOVA table presented in the table above indicates that calculated values of F ratio with DF1=3 and DF2=189 is greater than the tabulated value(3.84) in the case of Technological orientation , Customer value centric and Customer perspectives and hence null hypothesis is rejected indicating that Mean of different factor affecting CRM differs significantly across the gender categories of respondents However null hypothesis is accepted in responsiveness and hence null hypothesis is accepted   indicating that Mean of Different factor affecting CRM does not differs significantly across the gender categories of respondents

Table 5 Mean of different factor affecting CRM across the Education level of respondents

Education level	System Responsiveness	Technological orientation	Customer value centric	Customer perspectives
Upto Graduation	3.6424	1.7467	3.3333	2.1500
POst Graduation	4.4752	3.7182	4.1667	4.2045
Professional Qualification	4.0133	3.6787	3.7333	4.1867
Others	3.5511	3.5203	3.8385	3.8750
Total	**3.8534**	**3.3267**	**3.7557**	**3.7644**

Inference: The information presented in the above table indicates the Mean of different factor affecting CRM does not differs significantly across the educational level of respondents. It is seen that System Responsiveness has scored highest mean among up to graduate and post graduated respondent and Customer perspectives has scored highest mean 4.186. Among Professional Qualification and other category respondents. Overall system responsiveness has score highest mean in among all the factors of CRM.

Table 6 One Way ANOVA of Mean of different factor affecting CRM across the Education level of respondents

		Sum of Squares	df	Mean Square	F	Sig.
Responsiveness Education level	*Between (Combined) Groups	17.607	3	5.869	10.199	.000
	Within Groups	107.610	187	.575		
	Total	125.218	190			
Technological orientation Education level	Between (Combined) *Groups	89.957	3	29.986	70.112	.000
	Within Groups	79.977	187	.428		
	Total	169.934	190			
Customer value centric Education level	Between (Combined) *Groups	9.544	3	3.181	6.582	.000
	Within Groups	90.387	187	.483		
	Total	99.931	190			
Customer perspectives Education level	*Between (Combined) Groups	96.607	3	32.202	67.820	.000
	Within Groups	88.791	187	.475		
	Total	185.398	190			

Table7 Mean of different factor affecting CRM across the income level of respondents

Category	Responsiveness	Technological orientation	Customer value centric	Customer perespectives
Upto Rs25000PM	3.5280	2.5885	3.6667	2.5962
Rs. 25000 to Rs. 50000PM	4.0636	2.6433	3.6778	3.4667
Rs. 50000-Rs. 100000PM	4.4606	3.6333	3.3333	4.2333
Rs.100000-Rs. 200000PM	3.6140	3.5768	3.9469	3.9855
MOre than Rs. 200000PM	3.8662	3.6944	3.8704	4.0417
Total	**3.8534**	**3.3267**	**3.7557**	**3.7644**

Inference: The information presented in the above table indicates the Mean of different factor affecting CRM does not differs significantly across the income level of respondents. It is seen that Customer value centric has scored highest mean among the respondent having income levelupto25000PM and System responsiveness has scored highest mean 4.06 and 4.46 among respondent having income level Rs. 25000 to Rs50000PM and Rs50000-Rs100000PM. However Customer perspectives has scored highest mean among respondent having income level Rs100000-Rs200000PM and more than Rs200000PM. Overall system responsiveness has score highest mean in among all the factors of CRM.

Table 8 One Way ANOVA of Mean of Different CRM practices Across the Income Level of Respondents

		Sum of Squares	df	Mean Square	F	Sig.
Responsiveness Income level	*Between (Combined) Groups	19.102	4	4.775	8.371	.000
	Within Groups	106.116	186	.571		
	Total	125.218	190			
Technological orientation Income level	*Between (Combined) Groups	40.185	4	10.046	14.402	.000
	Within Groups	129.749	186	.698		
	Total	169.934	190			
Customer value centric Income level	*Between (Combined) Groups	8.735	4	2.184	4.454	.002
	Within Groups	91.197	186	.490		
	Total	99.931	190			
Customer perspectives Income level	*Between (Combined) Groups	50.882	4	12.720	17.589	.000
	Within Groups	134.516	186	.723		
	Total	185.398	190			

Inference: It was hypothesized that mean of different factor affecting CRM does not differ significantly across the income level of respondents. One way ANOVA table presented in the table above indicates that calculated values of F ratio with DF1=3 and DF2=186 is greater than the tabulated value (3.84) in the case of Technological orientation , Customer value centric and Customer perspectives and hence null hypothesis is rejected indicating that mean of different factor affecting CRM differs significantly across the income level of respondents.

Impact of CRM Practices on Customer Satisfaction: A Regression Analysis

Table 9 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.942a	.887	.885	.276

a. Predictors: (Constant), Customer perspectives, Responsiveness, Customer value centric, Technological orientation

Table10 ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	111.241	4	27.810	365.801	.000b
	Residual	14.141	186	.076		
	Total	125.382	190			

a. Dependent Variable: Extent of satisfaction with the services provider by Hotel

b. Predictors: (Constant), Customer perspectives, Responsiveness, Customer value centric, Technological orientation

Table 11 Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.028	.120		.233	.816
	Responsiveness	.186	.031	.186	6.044	.000
	Technological orientation	.361	.041	.420	8.772	.000
	Customer value centric	.279	.038	.249	7.279	.000
	Customer perspectives	.197	.035	.240	5.568	.000

a. Dependent Variable: Extent of satisfaction with the services provider by Hotel

Regression analysis was carried out to analyze the impact of CRM practices on Customer satisfaction. The value of R square is .887 means 88.7% Customer Relationship Management practices explain 88.7% variation in customer satisfaction. The relationship between CRM practices as independent variable and customer satisfaction as dependent variable is indicated by standardized coefficient beta with a value of .186. The significance of beta is tested using t-test at 5 percent level of significance and value found is .233 which is not significant indicating no significant relationship between Customer Relationship Management practices and customer Satisfaction. Regression equation of the model can be presented as:

Customer Satisfaction=.028+.186*Responsiveness+.361Technological orientation

+.279Customer value centric +.197 Customer perspectives

Conclusions and Suggestions

Customer relationship management has emerged as one of the most important means

of attracting large number of customer and generating higher satisfaction. Today most of the hotel management and their staff are applying CRM techniques for meeting the customer needs and generating customer satisfaction. The purpose of the study was to investigate the impact of CRM on customer satisfaction in the hotel industry especially in the hotels of Chandigarh. In a survey of 191 customers, it was observed that the mean of different CRM practice or orientation of CRM considered in this study differs significantly across the customers of different gender, education and income level. Regression analysis indicates that technological orientation and its application in CRM practices are able to generate higher customer satisfaction. It is suggested that management should focus more on technological orientation to meet the customer needs and to generate higher level of satisfaction among them.

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Case Study
SNAPDEAL GAINS OR LOSSES IN AAMIR KHAN CONTROVERSY

Abstract

Celebrity endorsement provides a specific differentiation, enhances the effectiveness of marketing communication, and strengthens brand image, emotional involvement, and trustworthiness. Alternatively, it might cause failure for a whole campaign or even for a brand, if embroils in a controversy. The case attempts to examine the celebrity endorsement strategy of Snapdeal, a growing E-commerce company in the Indian market, and consequences of the celebrity controversy on its business objectives. Although Snapdeal faced consumer backlash and downgrading & uninstallation of the mobile application in Aamir Khan Controversy, but all this annoyance helped Snapdeal to gain more publicity, improve brand awareness & App ranking, and develop an emotional bond with customers.

Keywords: Snapdeal, Aamir Khan, Celebrity endorsement, Controversy

"Removed @snapdeal app from my phone. No shopping through #Snapdeal till @aamir_khan is its brand ambassador. Will boycott #AamirKhan movies."….."Dear @snapdeal I would not be buying anymore from you until you remove @aamir_khan as your brand ambassador...deleting app……." By reading such comments on social media on 24th November 2015, professionals at Snapdeal headquarters, Noida was worried about growing negative publicity, bad reviews in social media, and poor ratings, uninstallation and downgrading of their mobile application. The situation was increasing intense and they were unable to comprehend any strategic action to stop all these issues. Even, senior officials of the company including CEO and MD were unable to figure out the ways to overcome the situation which they had not created. They were thinking about the whether the celebrity endorsement strategy is effective or must be employed after careful consideration of several factors including celebrity personality, credibility, profile and acceptance in the society. Snapdeal's officials were also apprehensive about existing market share, negative word of mouth communication, competitive moves and public protest about the company, mobile application, and celebrity of course.

Snapdeal Celebrity Endorsement Strategy

Increasing usage of smartphones, personal computers, and tablets, a growing internet user base (the second largest user base in the world, only behind China), 3G and 4G mobile services, favoured demographics, better logistics, improved online advertising, innovative business models with effective marketing initiatives and the ambitious Digital India project of the Indian Government helped the growth of E-commerce market in India

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(Pricewaterhouse Coopers Report, 2015). Considering the unparalleled growth in E-Commerce sector and gain a competitive edge, Snapdeal - an Indian E-commerce company started by Kunal Bahl with Rohit Bansal in February 2010 - endorsed a veteran Bollywood actor Aamir Khan for promoting sales and attracting new customers in March 2015 *(www.snapdeal.com)*. Through his remarkable performance, Aamir Khan has established himself as one of the most admired and prominent actors of Bollywood (Indian Film Industry). The recipient of numerous awards, including National Film Awards, Filmfare Awards, *Padma Shri* (2003) and *Padma Bhushan* (2010), Khan also served as the national brand ambassador of UNICEF to promote child nutrition and brand ambassador of 'Incredible India' campaign of Indian Ministry of Tourism *(wikipedia.org)*.

Snapdeal strongly believed that emotion is the strongest form of affection, especially in the case of Indian consumers, and if it is being precisely communicated to the target consumers, it can directly motivate them to purchase the products (Snapdeal's new TVC, 2015). As a result, Snapdeal launched its new campaign called "*Dil Ki Deal*" featuring Aamir Khan as their brand ambassador. Conceptualized by Leo Burnett, this campaign made a shift from the earlier communications, which were more focused on tangible benefits offered by the platform. This new campaign was a step ahead in its communication journey while stressing more on the emotional fulfillment of its consumers (Snapdeal once again strikes, 2015). The campaign featured Aamir Khan as an observer, onlooker and also a consumer himself. He was witnessing how the wishes of people nearby him were getting fulfilled with Snapdeal. The ad film closed with Aamir Khan himself receives '*Dil Ki Deal*' (a Snapdeal product) and says, "*Paao apne 'dil ki deal*', only on Snapdeal" (Snapdeal strikes emotional chord, 2015). He has been roped in with the vision to strengthen the brand philosophy of creating life-changing experiences for buyers and sellers by helping them meet their aspirations and fulfilling their dreams (Snapdeal once again strikes, 2015). This nearly 60 seconds campaign has been launched in Tamil, Kannada, Bihari, Telugu, Bengali and many other regional Indian languages for better coverage (Snapdeal strikes emotional chord, 2015). The campaign is not just made to fulfill the wishes of the particular age group but the people of all age groups.

Leo Burnett's creative and powerful screen presence of Aamir Khan notched it up for Snapdeal's campaign 'Dil ki Deal' (Snapdeal's new TVC, 2015). The campaign was a big hit and helped Snapdeal to build a reputation and add new customers. Prior to Aamir's 'Dil ki Deal' campaign, Snapdeal hardly had any standing in the market. 'Dil ki Deal' created a great buzz among the audience on social media too and in just 7 days time, the ad commercial got 482,619 views (Snapdeal once again strikes, 2015; Sood, 2016). Similarly, on the occasion of Diwali festival, Snapdeal launched the rendition of the '*Dil Ki Deal*'

campaign- 'Yeh Diwali Dil ki Deal Wali' campaign. Created by FCB Ulka, the Diwali brand campaign aimed to elevate Snapdeal's positioning and emotional connect with the audience (Snapdeal launches 'Diwali Dil Ki Deal-wali', 2015). The 360-degree campaign was focused on the festive season and aimed to elevate Snapdeal's positioning and build excitement and anticipation amongst the audience in a quirky manner. These campaigns truly served their purpose and helped Snapdeal to create a superior emotional attachment with the stakeholders (Snapdeal launches Diwali Dil Ki Deal-wali, 2015).

Aamir Khan Controversy and Snapdeal

On November 23, 2015, Aamir Khan stirred a massive controversy stating that his wife and family has thought to leave India, mentioning the prevailing intolerance situation in the country. Besides the social distress, the statement of Aamir Khan has created commercial problems to brands that he endorses. The e-commerce online retailer Snapdeal has become an unexpected casualty of the ongoing Aamir Khan controversy. Aamir's remarks on growing intolerance have aggravated sharp reactions of people. *#NoToSnapdeal* and *#AppWapsi hashtags* were disseminated on Twitter, throughout the day (Panwar, 2015). Many people threatened Snapdeal that they will uninstall its mobile application and will not stop purchase products from its online platform if they continue with Aamir Khan as their brand ambassador. Snapdeal also faced the heat in the Google Play store. Many Snapdeal app users left the one-star rating for the app because it was associated with Khan. The app was downgraded after unfavourable reviews (Anwer, 2015). As per the media reports, more than 85000 customers uninstalled the mobile app and did a lot of down-voting. According to App performance monitor site, App Annie, Snapdeal received of almost 40% decline in its ratings in November as compare to October 2015 *(www.appannie.com)*. According to data compiled by social media analytics firm Blueocean Market Intelligence, Khan Controversy generated more than six lakh tweets on the actor over the past week (Chaturvedi, 2015). About 82,000 tweets were generated on Snapdeal between November 21st and 27th, the week the controversy erupted, compared with about 4,800 the previous seven days. Snapdeal was the hardest hit, with many of those tweets and comments on other social media platforms calling to boycott the brand for its association with the actor (Chaturvedi, 2015).

This Snapdeal incident can be explained using Brand-Celebrity-Consumer Triangle, in which, the three components of the triangle are the brand (Snapdeal), the celebrity endorser (Aamir Khan) and the consumer. Prior to the controversial statement, the attitudinal relationship between Aamir Khan and the consumer was positive considering that the consumer is a follower of Aamir Khan. Considering the positive association between Aamir and consumers, Snapdeal endorsed khan for promoting itself and the favourable 'Dil ki Deal' Campaigns also strengthened the link between Aamir Khan and Snapdeal. Hence, the equilibrium worked well and eventually the consumer preferred Snapdeal for shopping. This created a positive relationship with the Snapdeal. The overall psychological relationship between brand, celebrity and consumer was positive. Everything was working well and the positive psychological connection was maintained till the controversy started. After the Aamir statement, the association between the consumer and the celebrity got reversed from positive to negative. In this situation, the consumer was in the state of annoyance to restore the psychological equilibrium and consequently, developed a negative attitude towards the Snapdeal (Sumanth, 2016). Their anger was shown in the form of negative reviews, poor ratings, uninstallations etc.

Corporate Reaction on Snapdeal Incident

The issue raised a heated debate in corporate and media circles regarding the perils of using celebrity endorsement. Industry analysts commented that although celebrity endorsement strategy is one of the most successful marketing strategies for brand awareness, but minor risks are associated with this (Khatri, 2006). Successful celebrity endorsement strategy may bring massive popularity for the brand and bring consumers closer to the company/brand, but there may be the possibility of backlash or downward slope if things go wrong (Tewari and Gangal, 2015). A senior official of a large FMCG company of the country stated that handsome amount is generally paid to celebrities for endorsing brands, even Rs 2 lakh for just a tweet. As a brand ambassador, the responsibility of an endorser does not end with advertisement production (Sarkar, 2016). He/she needs to be extremely careful of what he/she says or does in the social, professional and public sphere because he/she also carries the reputation of the company and displays the image of a brand. In this media driven era, especially social media, it seems quite tough for marketers to manage the negative or unfavourable situations. The biggest disadvantages of social media are that the untrue information can be shared exceptionally, it is beyond the control of any organization and everybody has an equal share (Duivestein & Bloem, 2013). In Snapdeal's case, the outrage could be fuelled by competitors. Snapdeal has not done anything wrong.

The Aftermath

Snapdeal pulled down all the commercials featuring Aamir Khan across the country and the '*Dil ki Deal*' campaign was completely withdrawn. Snapdeal distanced itself from its brand ambassador Aamir Khan's comments on 'intolerance'. Snapdeal issued a public statement in which it said that Aamir made those statements in is personal capacity and that the company has nothing to do with his comments (Bailay, 2016). The company is neither linked nor plays a role in statements made by Aamir Khan. Snapdeal declared itself a proud Indian company established by passionate young Indians aimed at building an inclusive digital India. Everyday company is confidently supporting thousands of small businesses and serving millions of consumers in India (*www.snapdeal.com)*. But, all this outrage only helped Snapdeal to gain more publicity as the app has witnessed its popularity rise by several ranks upwards from November 23rd, the day Aamir first made the statements, the rank of Snapdeal App in India in the Google Play Store was 28. After a couple of days, the wide outrage and protests from national media and public resulted in the app's rank move up to 22 from 28, the E-commerce giant's single biggest jump in the rankings ever (AppWapsi backfires, 2015). Snapdeal has suddenly found itself in the midst of a controversy in which they had no role to play. Smartly, the company realized that by using and influencing the emotions of customers, they can outplay all market factors. The negative reviews, mass uninstallation and downgrading of Snapdeal App were the result of customers' frustrations. But, by listening to people and not extending the contract of Aamir Khan, Snapdeal suddenly declared itself as a reliable Indian brand and created its patriotic image (Can Snapdeal gain, 2015). Following this, people re-installed the app and new customers also supported the app by making installation and obliging Snapdeal for not renewing the contract of Aamir. There was an improvement in the rating of Snapdeal app on Google Play Store. This incident helped Snapdeal to make an emotional bond with Indian customers and attract new customers to the platform.

Concluding Observations

In today's media-driven environment where it is difficult to grab consumer's attention, marketers are looking for celebrities to gather attention and mileage, giving companies a better chance of communicating their message to consumers and creating a distinctive brand image (Erdogan, Baker & Tagg, 2001). Celebrity endorsement is a big market in India and continues to grow bigger. The celebrities in India have high admiration factor and there prevails a larger than life status for the celebrities. The congruence between the celebrity and consumer, built over the years, sustains due to the long-term orientation of culture (Venkatesakumar, Riasudeen & Sathish, 2013; Madhyani, 2013). Even in the case of negative information about the celebrities, if the celebrity is on a high pedestal, it will not result in the significant degradation of his/her power base. Moreover, even in the case of negative impact, the process would be much slower, due to high power distance in the society, thereby reducing the impact.

In this digital era, social media has become increasingly important to consumers and organizations. The rise of the information and communication technology has increased consumers' possibility to attain impartial views on products and enhanced the chances to effortlessly spread these views to a large number of people across the globe (Hennig-Thurau, et al., 2004; Kaplan & Haenlein, 2010). Since it is beyond the control of the organizations, it can be used by general public to share information, favourable or unfavourable, to a large number of audiences. Consequently, companies need to rethink about new media which seems quite anarchy in nature. They must learn the ways to rule this medium for business purposes. It is imperative for companies/brands to design appropriate strategies to deal with issues like these in the future. Anees Merchant, Blueocean's senior vice president digital, said, "Brands need to be more proactive on social media. It can't be just a one-off marketing effort anymore, but needs to be part of a larger organizational repertoire management system" (Chaturvedi, 2015).

Netizens' decision to avoid Snapdeal is reactionary, irrational and laughable. Snapdeal need not do anything. Consumers, who uninstalled and downgraded the app on Google Play Store, supported *#NoToSnapdeal* and *#AppWapsi* on Twitter and similar other social media, have been mentioning Aamir's comment as the reason. There is no remark on products, services, schemes, and operations of Snapdeal. This will not do much damage to Snapdeal in the long term (Tewari and Gangal, 2015). Snapdeal took a wise step by dropping Aamir Khan as the brand ambassador to limit the immediate damage. Snapdeal needs to realize just how much goodwill and credibility it has received from having Aamir Khan as its brand ambassador. Reluctantly, this controversy gave the path to Snapdeal to be in the limelight, opportunities to people to talk or share comments and free publicity for Snapdeal, therefore. Celebrity endorsers influence consumer buying behavior on the basis of emotions. This emotional association brings consumers closer to the brand. But at the same time, if things go wrong, it might trigger a hostile response. All marketers must be aware of this fact while implementing celebrity endorsement strategy. The emotional connect and the psychological association between brand, celebrity and the consumer can swing either way. The company can't control all such situations. Celebrities should be more responsible and be careful of their statements, actions, behavior in the social, professional and public domain as they are emotionally connect with people and their fans follow them as role models. When the brand ambassador gets himself surrounded in a controversy, it leads to poor brand performance because of consumer backlash (Sood,

2016). And, if the controversy is as sensitive as Aamir Khan Controversy, it hurts the brand brutally. Interestingly, many advertisers and marketers believe that consumers have the short-term memory and after the passage of some time, Aamir will be back in endorsing brand again.

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