

# **National Journal of Research In Marketing, Finance & HRM**



# National Journal of Research in Marketing, Finance & HRM

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1 year	Rs. 1000/-
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Dear Readers,

Greetings from Team of “National Journal of Research in Marketing, Finance and HRM”!!!

It is our pleasure and proud to publish the March 2019 issue of “National Journal of Research in Marketing, Finance and HRM” of which is title verified and approved from Registrar of Newspaper of India and bearing ISSN 2455-5398.

The first and utmost aim of the National Research Journal is to present a scholastic platform to emerging scholars and academicians all over the country to publish their novel, original, empirical and high quality research work in the area of Marketing, Finance and HRM.

I also request on the behalf of editorial team and subscription cell to kindly disseminate this information amongst your Faculty Colleagues, Industry Individuals, Research Scholars and Students who may be interested in research and publication.

This is biannual Research journal and scholars may send their original research papers in the month of Jan-Feb and June-July.

I also appeal to research scholars to go through the guidelines for paper publication so as to submit your research work in correct format and in time.

I shall be thankful, if you could circulate this information among your colleagues and research scholars and motivate them to contribute their research papers.

With warm regards,

**Dr.S.G.Walke**

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**National Journal of Research in Marketing, Finance and HRM**

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# National Journal of Research in Marketing, Finance & HRM

Volume: 4 No.1

March 2019

ISSN: 2455-5398

## INDEX

<b>Sr. No.</b>	<b>Title &amp; Author Name</b>	<b>Page No.</b>
<b>1.</b>	THE FACTORS AFFECTING RESIDENTIAL ELECTRICAL ENERGY CONSUMPTION IN INDIA <b>Devkumar P.Mahisekar, Dr. Subhash J. Jadhav</b>	<b>1</b>
<b>2.</b>	A STUDY ON USE OF DIGITAL MARKETING TO IMPROVE BUSINESS TOP LINE AND BRANDING AT IKSC KNOWLEDGE BRIDGE PVT. LTD. PUNE <b>Mrs. Archana Borde, Vinay A. Kulkarni</b>	<b>11</b>
<b>3.</b>	A COMPARATIVE ANALYSIS OF FINANCIAL STATEMENT OF SELECTED BANKS ON THE BASIS OF CASH FLOW STATEMENT <b>Dr. Ujjwal Mishra, Miss. Meenanki Sharma</b>	<b>19</b>
<b>4.</b>	WHITEPAPER – HOW COMPANIES CAN IMPROVE CUSTOMER EXPERIENCE (CX) ? <b>Dr. Yogesh Raut</b>	<b>29</b>
<b>5.</b>	A STUDY OF EFFECTIVENESS OF ONLINE MARKETING ON INTEGRATED MARKETING COMMUNICATION WORLDWIDE <b>Prof. Dhananjay J. Rasal</b>	<b>33</b>
<b>6.</b>	FDI AND INDIAN ECONOMIC GROWTH FACTORS – AN EMPIRICAL ANALYSIS <b>Prof. Pramod T. Kumkar</b>	<b>45</b>
<b>7.</b>	A STUDY ON CUSTOMER SATISFACTION AND PERCEPTION TOWARDS D-MART <b>Dr. Rajeshkumar Jha, Prof. Pankaj Shewale</b>	<b>52</b>

## THE FACTORS AFFECTING RESIDENTIAL ELECTRICAL ENERGY CONSUMPTION IN INDIA

**Devkumar P.Mahisekar**

Dr.V.P.F's PCMRD,  
Pune

**Dr. Subhash J. Jadhav**

Director , Dr.B.V.Hiray College of Management  
Research Centre, Krusinagar, Malegaon

### **Abstract:**

*Electrical energy as known, one of the precious energy of any country. The energy fulfills majority of the residential needs .It makes human life easier and comfortable. However, at the same time to make this energy available to consumers, it requires lots of resources and national funds. This has also a direct impact on economic development of a nation. One of the major alternatives is to use it optimally by providing energy efficient electrical home appliances to consumers. For this to happen, effective marketing strategies need to be in place. And to identify effective marketing strategies, the first and foremost task is to identify the basic factors that affect residential electrical consumption.*

**Keywords:** *Electrical energy, energy sustainability, residential electric consumption, electrical appliances, external factors.*

### **Introduction**

Energy is defined as a power derived from the utilization of physical or chemical resources to provide light and heat or to work machines.It is the capacity of a physical system to do work. This research paper discusses factors affecting residential electrical consumption (REC) .In electrical circuits; energy is a measure of power expended over time. One joule is equivalent to one watt dissipated or radiated for one second.

The next important concept; sustainability is a broad discipline that gives insights into most aspects of the human world from business to technology to environment and the social sciences. Sustainability looks upon to protect natural environment, human and ecological health, while driving innovation and not compromising way of life. And sustainability through products is the concept that provides environmental, social and economic benefits while protecting public health

and environment over their whole life cycle. By studying the factors affecting REC, majors can be identified to achieve sustainability in energy consumption.

In a modern, consumerist and urban existence throughout the developed world, a lot of natural resources are consumed every day. In urban areas electric energy is consumed for keeping streets and civic buildings lit, power appliances, and heating and other public and household power requirements. In rural areas it is largely consumed by agricultural pumps. It is estimated that about 40 per cent more resources are used every year than those put back for providing energy. Electrical energy is mostly consumed by household electric appliances. It is a multibillion dollar industry run by many huge brands. It is divided product wise into five segments; Cooking appliances, Refrigeration, Laundry, Home Comfort and Others. Along with this rate of consumption, there are of course environmental concerns attached as one of the critical effects, is increase in CO<sub>2</sub> emissions.

In the year 2017 there was an increase in electricity demand in the states; Maharashtra, Uttar Pradesh and Telangana as per the Central Electricity Authority data. Maharashtra was the single largest consumer of electricity in India with a demand for 75,169 million units in a year. Based on the increment, Investment Information and Credit Rating Agency of India Limited (ICRA) has cautioned that it is not clear whether such high growth in the energy consumption would really help energy sustainability.

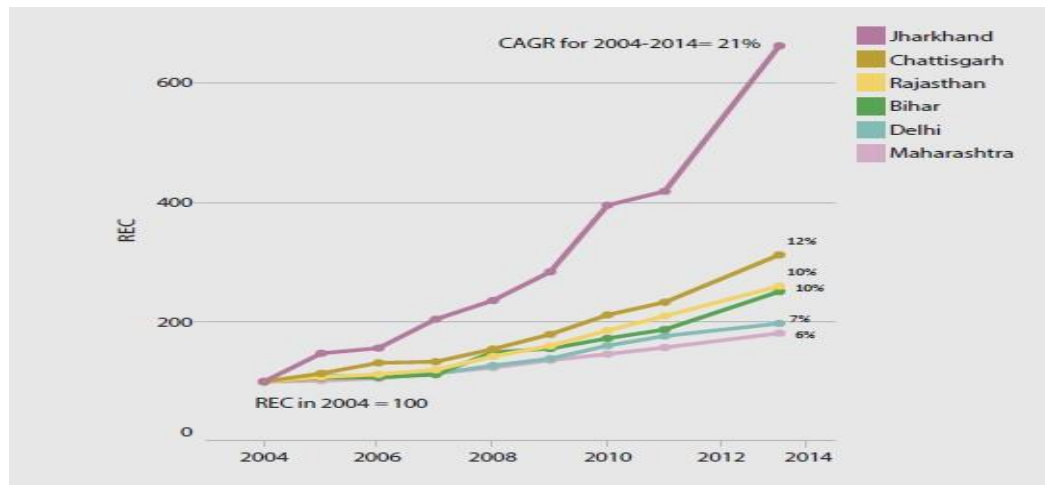
#### **External environment of residential electric energy consumption.**

It would be valuable to study the external factors such as income, tariff, electricity supply, climatic conditions, building structures, policies and programs and consumer behavior that affect REC in India. Studying these would help to derive strategies to achieve energy sustainability.

There are various factors on which consumers make decisions to buy electrical appliances. First considering REC numbers, it is different among different states depending on various factors.

All states, irrespective of their current REC, show a significant growth trend in the decade from 2004.

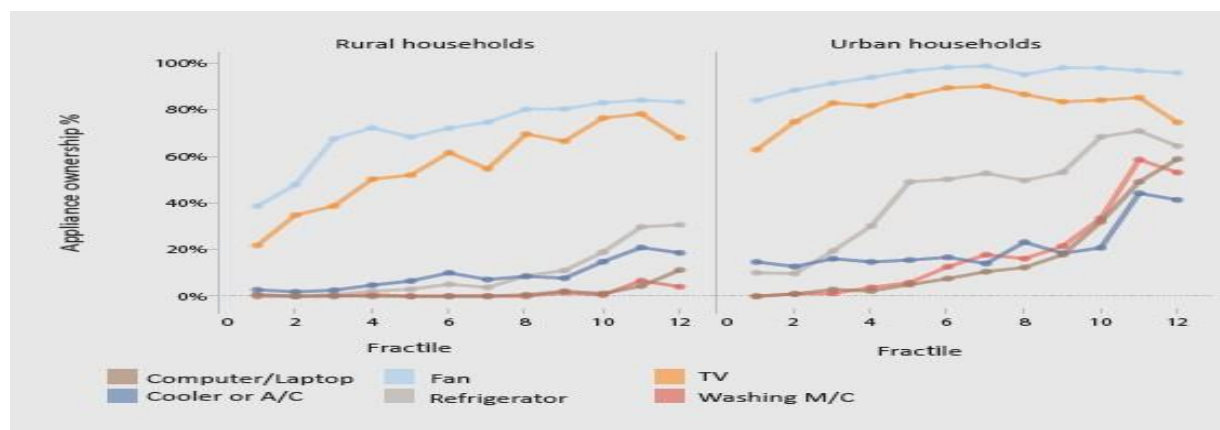
#### **REC growth trends in states**



Source: CEA, 2014

### Income, Tariff, and Electricity Supply

Higher income group consumers tend to buy more electrical appliances. For example in Maharashtra all income group consumers buy televisions while buying air conditioners is limited to high income group consumers.



### Appliance ownership in different fractiles of expenditure in urban Maharashtra

Source: NSSO 2014

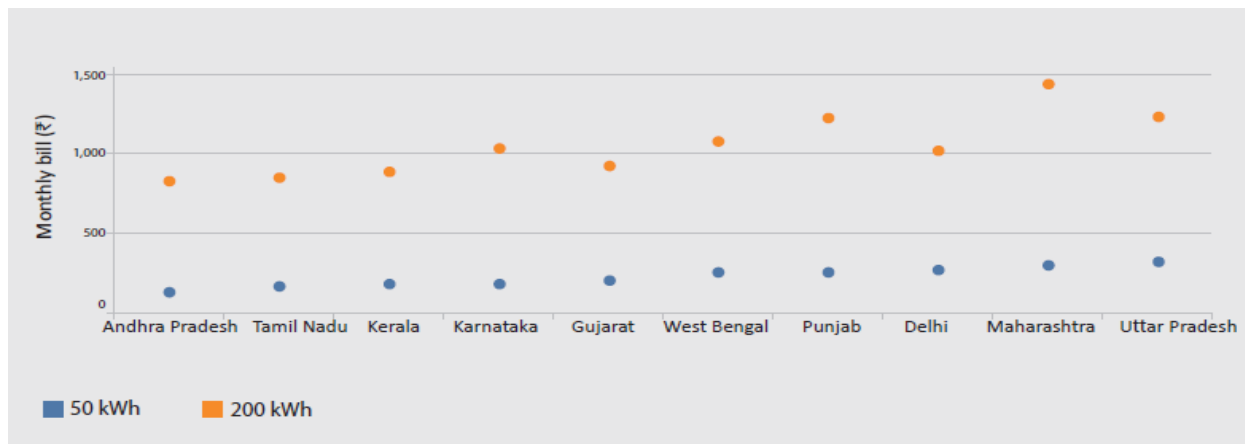
A few studies (de la Rue du Can et al., 2009; World Bank, 2008) have co-related the appliance ownership with the household expenditure and used econometric models to predict future



ownership based on increase in income. The appliance ownership increases exponentially with the increase in expenditure of households and then attains a plateau. The ownership level corresponding to the plateau has risen over the years in different rounds indicating the market-wide adoption of the appliances.

Consumers use more electricity with more income. Households with high income use more electricity due to both higher ownership and higher usage. The demand is income inelastic across seasons i.e. the change in electricity demand across the seasons does not depend on income.

Different distribution companies have different tariffs for residential consumers. The tariff also varies according to the total electricity consumption. Households with higher consumption pay more per additional unit of electricity they consume. A study (Filippini & Pachauri, 2004) found that the tariff does not have any impact on the electricity demand.



Monthly electricity bill for different states for different consumption levels

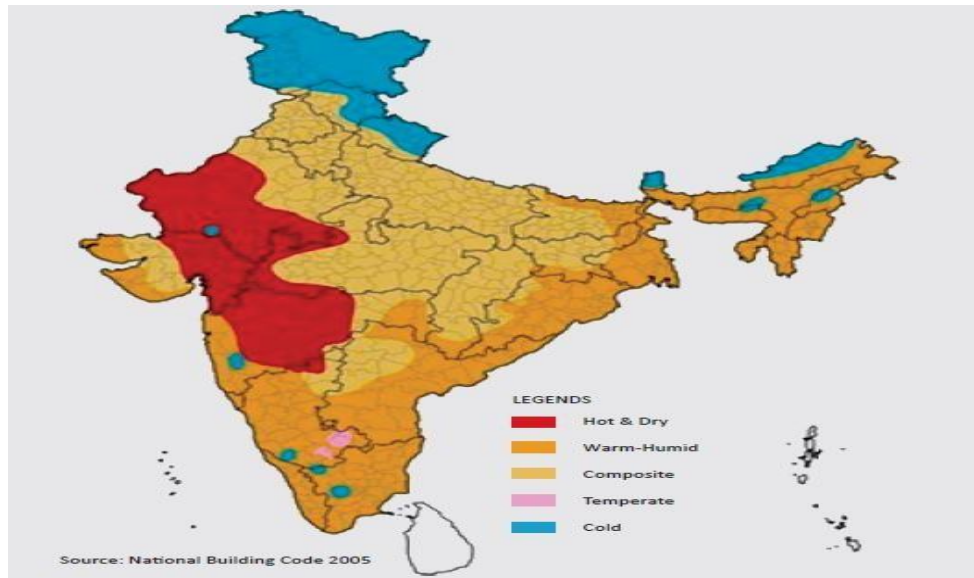
The rate of electrification and supply quality also affects electricity consumption of a household.

### Indian climatic conditions

India comprises of five different climatic zones based on the average temperature and humidity levels. Climatic conditions significantly impact ownership and usage of appliance. Consumers use more fans and air-conditioners in hot climates while they use more water heaters and other space heating appliances in colder climates. The relation between climate and the energy required by the consumers is quantified by cooling and heating degree days. Cooling Degree Days (CDD) are a measure of degrees and number of days, the outside air temperature was above a certain level.

CDD are the average number of days when cooling is required. Heating Degree Days (HDD) is the corresponding measure for average number of days when heating is required.

### Indian Climatic Zones



Gupta (E. Gupta, 2014) has identified that every 1° Celsius increase in temperature in the summer increases expected daily electricity demand by 1.5 per cent due to increased use of air- coolers, air-conditioners and fans.

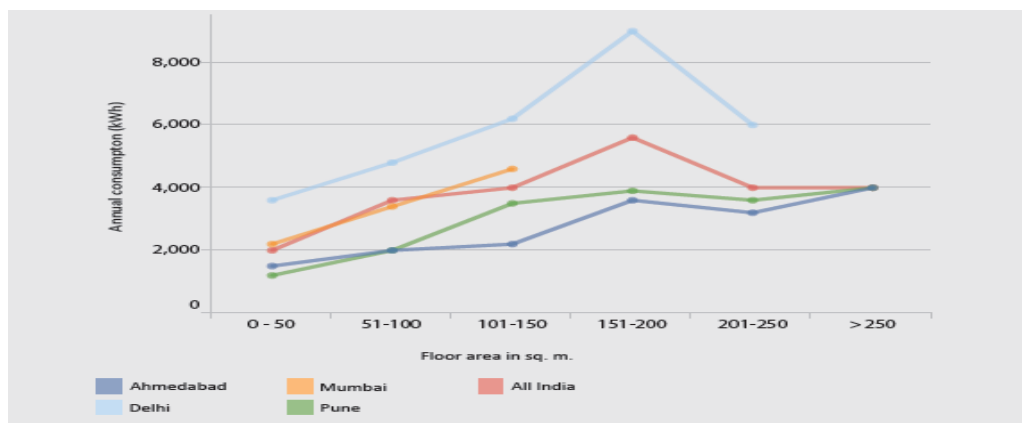
### Building Structures

Building design and the construction materials also impact heating, cooling and lighting requirement. When sunlight is incident on a building or on a particular face, it gradually heats up thereby transfers heat inside. This increases the need for comfort conditioning which in turn increases the energy consumption. The location and design of windows, doors and other openings of a structure increase or decrease the heat trapped inside the building. Color of paint on the exterior walls contributes to the inside temperature. White colored roofs reduce electricity consumption of a single storied building by around 20 per cent (Akbari, Levinson, Konopaki, & Rainer, 2004; Akbari, Pomerantz, & Taha, 2001). Every building material has specific levels of heat transfer through conduction, convection and radiation which is quantified in terms of U-

value (W/K.m<sup>3</sup>). The lower the U-value is, the better the material is as a heat insulator. Building designs that provide good ventilation and lighting and good quality construction material with low U-values reduce the energy consumption substantially.

A simulation study by Bureau of Energy Efficiency (BEE, 2014) states that good design and construction material reduces the electricity consumption of a building. They compared three different packages of energy efficiency with incremental saving in electricity consumption. Energy efficiency Package 1 had better quality of brick blocks, optimized ventilation, overhangs on windows and light color paint on external walls which reduced the cooling requirement of the building by 23%. External Window shutters in EE Package 2 contribute to about 23 per cent reduction in the cooling requirement. And use of cavity bricks with insulation and glazed windows in EE package 3 save an additional 10 per cent. The study also shows that positioning the shortest cover-up of the building in the direction of the sun decreases the solar radiation by nearly 50 per cent than the longest cover ups. Decreased exposure to solar radiations decreases heat gains through the cover ups, decreasing internal temperature and avoiding the need for space cooling, thus saves electricity.

#### Annual consumption verses floor area of different Indian cities



Source Rawal and Shukla 2014

The Energy Conservation Building Code (ECBC) in 2007 code mandates the basic efficiency levels of buildings. Currently ECBC is applicable only to commercial buildings, while code for the residential sector is still under study.

#### Policies and Programme

The policies and programs run by the government or by the distribution companies can result in consumers buying more energy efficient appliances and adopting conservation measures.

The Bureau of Energy Efficiency (BEE) has been conducting the Standards and Labeling (S and L) programme since 2006. Least efficient appliances are given a 1-star rating while the most efficient are given a 5-star rating. The programme is mandatory for some appliances like air-conditioners and refrigerators while voluntary for others..

Along with the awareness about the S and L programme, consumers should understand the information on the energy label and use it correctly to buy energy efficient appliances. Most of the 5000 respondents in the recent survey (Dhingra et al., 2016) said that the information on the label was too technical and information on monetary savings would be very useful. Another example is related to people's perception of energy-labels. A number of studies have observed that people tend to compromise and settle for a middle option when presented with extreme choices (Simonson & Tversky, 1992). Do people exhibit this behavior and settle for 2-3 star- rated appliances rather than buying the least efficient 1-star or the most efficient 5-star? Research on people's knowledge and perception of the energy-labels can be very important in evaluating the impact of the S&L programme as well as designing it better.

There have been a few price-reduction programs at both the local and national level. MSEDCL conducted a pilot programme in 2005 to replace 3 lakh incandescent bulbs with Compact Fluorescent Lamps (CFLs). The CFLs were available by payments in monthly instalments through electricity bills with the first instalment being equivalent to the price of a cheap but inefficient incandescent bulb. The programme saw a mixed outcome. BEE conducted a price- reduction programme for Compact Fluorescent Lamps (CFLs) in 2009 called the Bachat Lamp Yojana (BLY). Under the programme, the price of CFLs was brought down ten times to match the price of incandescent bulbs. Around 400 million incandescent bulbs were expected to be replaced under the programme. The programme has never been systematically evaluated to gather lessons for future programs. UJALA (Unnat Jyoti BY Affordable LEDs for All) is the latest price-reduction programme launched in 2014 for LED lamps conducted by a public sector company, Energy Efficiency Services Ltd. (EESL). Under the programme, EESL has been able to reduce the price to a quarter of its market-price by buying them in bulk directly from the manufactures. More than 10 crore LED bulbs have been sold. A systematic evaluation of the programme would help in estimating its actual impacts as well as in better designing of future programs.

### **Consumer Behavior**

Consumer behavior is a key factor that affects a household's decisions on buying and using appliances. Income, climate, policies and other external factors can stimulate different responses from different people. Traditional economic models consider humans as rational agents who maximize their utility while making decisions. However, research has shown that people tend to act seemingly irrational while making everyday decisions. They are emotional, they procrastinate, they lack self-control, they value today differently from tomorrow and behave in many other ways which a perfectly rational agent will not. The social and cultural attitudes and values also play a crucial role in the decisions people make. Understanding these behavioral tendencies can be useful to predict future consumption as well as inform policy interventions to curb it.

Research on behavior affecting household use of energy in India is limited. HCI studies have focused on studying people's use of energy to help in designing various energy-conserving technologies. A study (Shrinivasan et al., 2013) was conducted on energy usage habits of 11 households in Bangalore and Hyderabad. They observed that tradition and culture have deeply ingrained the values of conservation in their participants. People are already aware of their consumption and hence don't feel the need for various home energy monitors. On the contrary, a team of researchers (Jain, Chhabra, Mankoff, & Singh, 2014) surveyed about 1700 residents around Delhi and did not observe the deeply imbibed culture of conservation. People practice conservation because of learned habits and the desire to save money. Comfort and convenience were major barriers. The participants were interested in home energy monitors and also did not mind sharing their energy data with others.

An architectural study (Indraganti, 2011) surveyed 45 apartments in Hyderabad to study how people adapt to increased temperatures in the summer. The study found that people adapt themselves to the heat by doing simple things like moving to airy places and drinking water. People find themselves comfortable between 26 to 32°C. This is much higher than the comfort temperatures considered in Indian building codes 23 to 26 degree Celsius. It was also found that people frequently exposed to air-conditioned environments had very less tolerance levels.

Research in behavioral economics focuses on using different behavioral tendencies effectively to nudge people toward positive actions. One such study (Sudarshan, 2014) of 500 households around Delhi found that comparing a household's monthly electricity bill with that of the neighbor's results in a reduction of 8% in its electricity consumption. However, the reduction becomes ineffective when the electricity prices are higher and when such comparisons are combined with financial

incentives. This suggests that behavioral interventions may interact in complicated ways with incentives and market prices.

Harold Wilhite (Wilhite, 2008) used an ethnographic approach to study how consumption of various goods (including households' appliances) and services, has increased in south India. He described the interesting and complex interactions between consumerism and India's cultural practices. For instance, how the refrigeration technology overcame the traditional food ideology of stored food being bad and how the adoption of kitchen appliances increased when families started getting smaller and women started taking up jobs.

More such studies which draw insights on the human aspect of energy consumption are required. Also there should be an interdisciplinary approach which brings these insights together and build an integrated model of household energy consumption with clear implications for policy making.

### **Conclusion**

Considering present scenario of increase in residential electricity consumption, it is significant to derive effective marketing strategies for electric home appliances that will help in electrical energy sustainability. However merely deriving marketing strategies for the electrical appliances based on markets will form weak backbone to promote the appliances. It is valuable to understand the background and various external factors that affect residential electric consumption. Income of consumers, tariffs laid down for the power supply, reliability and quality of the power supply need to be taken care of. In many instances it is seen that higher income group consumer tend to buy more electrical appliances. Indian climatic conditions comprise of five different zones. Heating degree days (HDD) and Cooling degree days (CDD) affects the Residential electric consumption (REC). Building design and construction materials and floor space area affect heating, cooling and lighting requirements of the consumer. The effective policies and programs run by the government and by the distribution companies can result in consumers buying more energy efficient appliances and can adopt conservation measures guided by them. There must be a systematic evaluation of the programme so that the actual impact of the programs could be ascertained. Consumer behavior is an important factor that affects a household's decisions on buying and using appliances. Income, climate, policies and other external factors stimulate different responses from different consumers. The social and cultural attitudes and values also play a crucial role in consumer decision making. Understanding consumer behavioral tendencies are useful to predict future consumption.

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## **A STUDY ON USE OF DIGITAL MARKETING TO IMPROVE BUSINESS TOP LINE AND BRANDING AT IKSC KNOWLEDGE BRIDGE PVT. LTD. PUNE**

**Mrs. Archana Borde**

Assistant Professor, Department of Management Studies  
Sinhgad College of Engineering, Pune Maharashtra,  
India archanaajitborde@gmail.com

**Vinay A. Kulkarni**

Student, Sinhgad College of Engineering, Department of Management Studies, Pune  
vinaykulkarni175@gmail.com

### **Abstract:**

*The study will be beneficiary in creating a platform for all those educational/training institutes who are seeking online presence and also is helpful in creating awareness about the various technologies used like search engine optimization, mobile advertisement, mobile application development and designing marketing communication. As the title consisted, the Social Networking Sites used for branding, it will be beneficial for the organization in formulating its short-term and hence long-term goals. The organization can pitch its future customers by addressing its unique selling points which will be its milestone. It will be a milestone for the organization as the study was helpful for the organization in formulating short term goals as well as strategies because it had useful information related to requirements of prospect customers as well as of effective digital marketing tools for branding and thereby generating leads by the company(IKSC Knowledge Pvt. Ltd., Pune)*

**Keywords:** *Mobile Advertisement, Search Engine Optimization, Social Networking Sites, Branding*

### **Introduction:**

With the advent of new technologies, the internet has become the major search source for everything. The increased usage of internet has a great influence on the education sector. These days, the majority of the students are the users of the internet. The Internet has become the major search platform for all, starting from courses, schools or colleges, study material and even fee payment method has become online. This indicates that the educational institutions must mark their presence online to reach more students, existing as well as prospects. Education sector being a challenging one deals with a new audience each year. Budget is the major constraint in the promotion of educational institutions to attract prospects each year. Even parents are searching online for best schools and colleges, unlike personally visiting the educational institutions like olden days. They are expecting the entire details



about the institution online like facilities, faculty, fees, course curriculum and extracurricular activities, as well as the online forms for admission process and other queries. Even parents started judging the institutions by their website and online presence. So, implementation of digital marketing in the education sector is the best and effective solution to reach these requirements. It's time to aim for new opportunities.

### **Review of Literature:**

1. Author, Dr. P. Anitha Kumari, in the article, published in International Journal of Innovative Research and Development(IJIRD), dated November, 2014 titled, Role of Digital Marketing in Promoting Training Programs :A Study in Bangalore: Increasing number of firms is turning to devices such as smart phones and tablets to reach out to new audiences. Marketing through these devices does not only represent a lower cost for firms, but a firm can also expand its marketing efforts to millions of people in a single campaign due to the vast use of these devices.
2. Article titled A Study on Digital Marketing and its Impact by P. Sathya published in International Journal of Science and Research (IJSR), dated February, 2017: Digital marketing is the avenue of electronic communication which is used by the marketers to endorse the goods and the services towards the marketplace. The supreme purpose of the digital marketing is concerned with consumers and allows the customers to intermingle with the product by virtue of digital media.
3. A Saviance Technologies Whitepaper on Digital Marketing in Educational Institutions has following key points: The education sector is a completely revolutionized sector since the majority of the population of students are the users of the internet. This has a direct implication on the fact that educational institutions and universities need to make increased use of the internet and mobile devices to reach out to more students. And digital marketing is the best method that can be adopted by the educational institutions to reach out to prospective students.
4. A research article from International journal of Social Sciences and Management (IJSSM) by Veena Tripathi titled Impact of Online Marketing on Teenagers in India published in the year 2016: Online Marketing is quickly evolving in front of our eyes and it is almost impossible to reject and hide from this new form of media. This shift in consumer influence indicates a need and an opportunity for companies to reprioritize the mix of communication channels they use to reach their consumers.

5. Sustainability of Digital Marketing in Education Sector dated on October 13-14, 2017, published in the National Conference on Marketing and Sustainable Development, by Anil Pavuluri: The younger generation, in particular, has all but abandoned print newspapers and magazines in favor of digital media—and broadcast television is losing ground as well. It's not that Students are spending less time consuming media. On the contrary, media consumption has risen in recent years. Students are just spending less time consuming traditional media. Students are also more digitally savvy and increasingly impatient with traditional marketing techniques and intrusive or irrelevant content and messages. When selecting new courses and colleges, students rely more than ever on advocacy from people they know and trust. Personal recommendations are now five times more trusted than brand marketing, according to the Word of Mouth Marketing Association.

**Objectives of the Study:**

- To study students' perception about value added courses provided by training institutes
- To increase awareness among prospect customers by using social media platforms
- To identify the percentage usage of social media by students
- To develop an effective strategy to reach prospect customers through the use of digital marketing services

**Research Methodology:**

Research Design: Descriptive

Universe: All the final year engineering students studying in Pune City

Sample Unit: Every final year engineering student from Pune City

Data Type Collected: Primary Data, Secondary Data

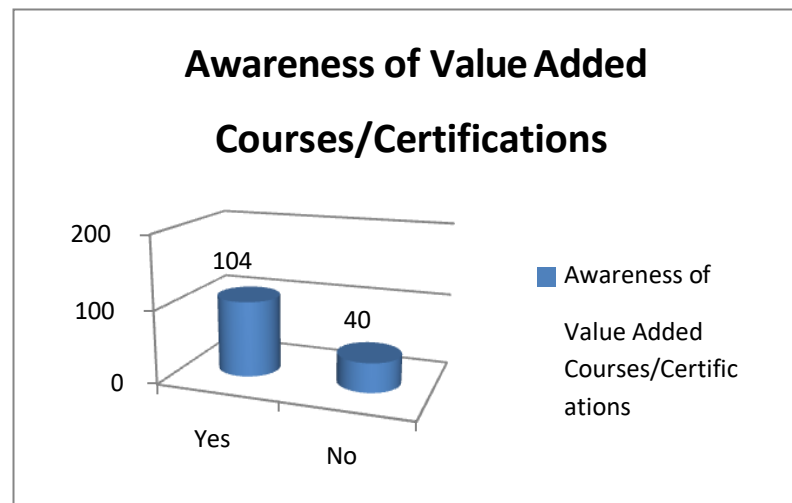
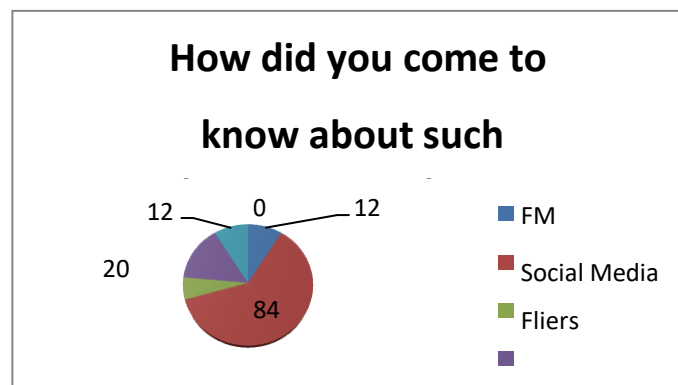
Secondary Data: External data collected from the websites, annual reports of the selected FMCGs.

Tools used for Analysis of Data: Self-Administered Questionnaire

Data Collection: -Data means collection of raw facts and figures collected for the research work.

**Data Analysis and Interpretation**

Awareness of Value Added Courses/Certifications			
Sr. No.	Particular	No. of Respondents	Percentage
1.	Yes	104	86.7%
2.	No	16	13.3%



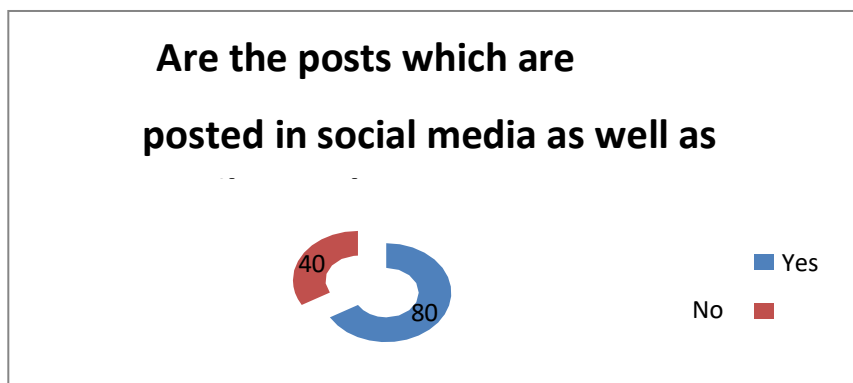
**Interpretation:**

The above graph shows that 86.7% of the total respondents are aware about courses or professional certifications in their area of career interest while a small no., that is, 13.3% of the total respondents are not aware. Comparatively, there is strong awareness about value added courses or professional certifications amongst students.

<b>How did you come to know about such professional certifications?</b>			
Sr. No.	Particular	No. of Respondents	Percentage
1.	FM	12	11.5%
2.	Social Media	84	80.8%
3.	Fliers	8	7.7%
4.	Newspaper	20	19.2%
5.	Newsletter	12	11.5%
6.	Other	32	30.8%

**Interpretation:** Out of 86.7% respondents who were aware about professional certifications, 80.8% came to know about professional certifications in their area of career interest through social media, which is the highest amongst all, whereas, 7.7% of the total respondents came to know via fliers, which is the lowest amongst all. Other responses are- 30.8% of the total respondents say that they came to know about the same through different source other than the above options, 19.2% via newspaper, 11.5% via fm as well as newsletter. So, here, it can be stated that social media is effective medium to reach the target customers.

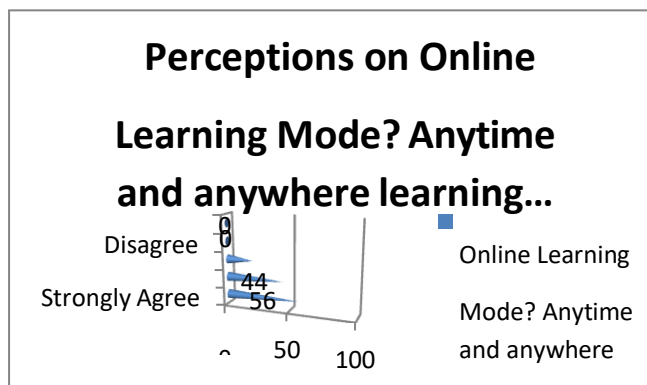
<b>Are the posts which are posted in social media as well as mails sent by training organizations are informative?</b>			
Sr. No.	Particular	No. of Respondents	Percentage
1.	Yes	80	66.7%
2.	No	40	33.3%



**Interpretation:** The above graph shows that 66.7% of the total respondents find the posts which are posted in social media as well as e- mails sent by various training organizations, informative while 33.3% of the total respondents say that they are not informative.

Respondents find posts on social media informative, so, creating such posts is an effective way of reaching them.

<b>Perceptions on Online Learning Mode? Anytime and anywhere learning convenience</b>			
Sr. No.	Particular	No. of Respondents	Percentage
1.	Strongly Agree	56	46.7%
2.	Agree	44	36.7%
3.	Neutral	20	16.7%
4.	Disagree	0	0%
5.	Strongly Disagree	0	0%



**Are the posts which are posted in social media as well as mails sent by training organizations are informative?**

Sr. No.	Particular	No. of Respondents	Percentage
1.	Yes	80	66.7%
2.	No	40	33.3%

**Interpretation:**

The above graph shows that 46.7% of the total respondents are strongly agree with the perception that online learning mode is anytime, anywhere learning convenience whereas 36.7% say that they are somewhat agree. 16.7% of the total respondents are neither agree nor disagree about the same. There is no one who is totally disagree or strongly disagree.

**Findings**

- From the study it was identified that most of the students are aware of the value added courses/ certification programs. The source through which maximum of them came to know about such courses is social media.
- Students find useful advertisements in posts that are posted in social media as well as e-mails sent.
- Most students prefer online learning mode or e- learning mode in such courses. As well as they strongly agree upon its convenience.

## Conclusion

From the study, it was studied that there was a significant gap between the job seekers and the companies and there was a vast difference between their needs. In order to solve this issue, the students must be trained right from their academic years. The training institute thus proves to be a significant link between the two. Thus, to help training institutes to achieve its goals and objectives, the role of digital marketing is very important. Digital marketing is used to improve business top line and branding for training institutes effectively.

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## A COMPARATIVE ANALYSIS OF FINANCIAL STATEMENT OF SELECTED BANKS ON THE BASIS OF CASH FLOW STATEMENT

**Dr. Ujjwal Mishra**

Associate Professor

Department of Management Studies

Sinhgad College of Engineering Pune

ujjwalmmishra@gmail.com

**Miss. Meenanki Sharma**

Research Student

Sinhgad College of Engineering Pune

meenanki22297@gmail.com

### **Abstract:**

*Analysis of financial statement is necessary because it help in depicting the financial position on the basis of past and current records. Analysis of financial statement helps in making the future decision and strategies. Financial statement analysis has now become an important technique of credit appraisal. The investors, financial experts, management executives and the bankers all analyse these statement. This paper is initiated a comparative study of financial statement of selected banks. The main objective of this study is to know the liquidity, profitability, volatility and efficiency of these banks. Analytical tools used in the study are mean, median, standard deviation, EBIDTA, etc. on the basis of cash flow analysis.*

### **Objectives**

1. To understand the cash flow of the banks
2. To know the financial position and performance of the bank
3. To analyse the increase and decrease in the cash flow in operating activities, investing activities and financing activities.

### **Research Methodology:**

A sample of four banks i.e. one from public sector and three from private sector has been selected and the criteria is based on highest ranks generated by banks during 2015-2018. The banks matched under



this criteria are State Bank of India from public sector and HDFC Bank Ltd, ICICI bank Ltd, Axis Bank Ltd. from private sector.

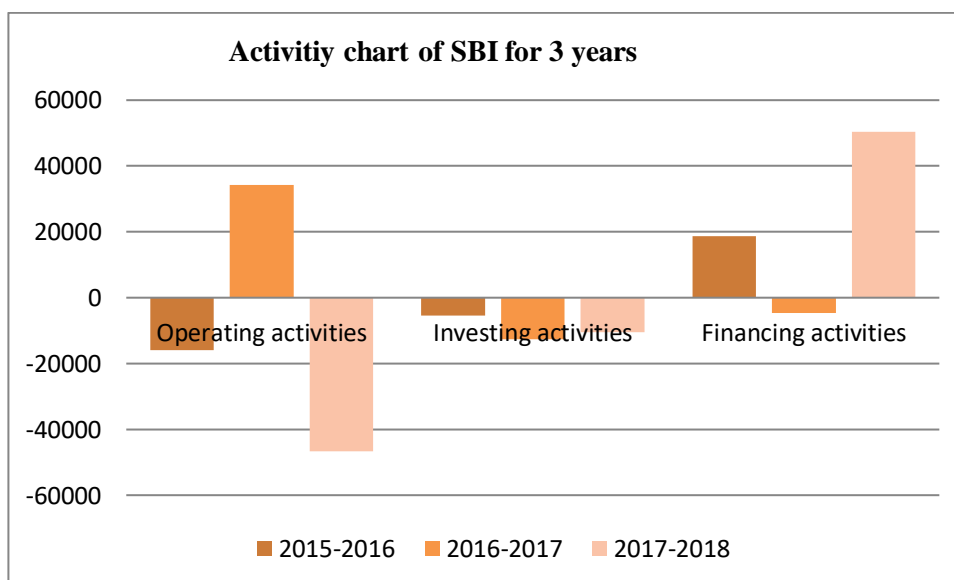
### Tools for Analysis:

- Mean
- Median
- Standard Deviation
- P/V Ratio
- EV/EBIDTA

### Data Analysis & Interpretation

#### 1. State Bank of India (SBI) –

Year	Operating activities	Investing activities	Financing activities
2015-2016	11196.55	-3784.37	4505.88
2016-2017	11060.32	-3184.45	-1780.27
2017-2018	-85425.25	879.08	4920.92



### Analysis:

1. Mean: Operating activities =  $\frac{11196.55 + 11060.32 + (-85425.25)}{3}$

3

= -21056.13

2. Investing activities =  $\frac{-3784.37 + (-3184.45) + 879.08}{3}$ 

3

= 2615.97

3. Financing activities =  $\frac{4505.88 + (-1780.27) + 4920.92}{3}$ 

3

= 2548.84

- Median:

1. Operating activities = 11060.32

2. Investing activities = -3184.45

3. Financing activities = -1780.27

- Standard Deviation:

1. Operating activities = 9013.4502

2. Investing activities = 44599.2573

3. Financing activities = 10047.4957

## 4. Price to Book Value Ratio (P/B Ratio):

Year	2016	2017	2018
Ratio	1.05	1.49	1.15

## 5. Enterprise Value per net sales (EV/EBIDTA):

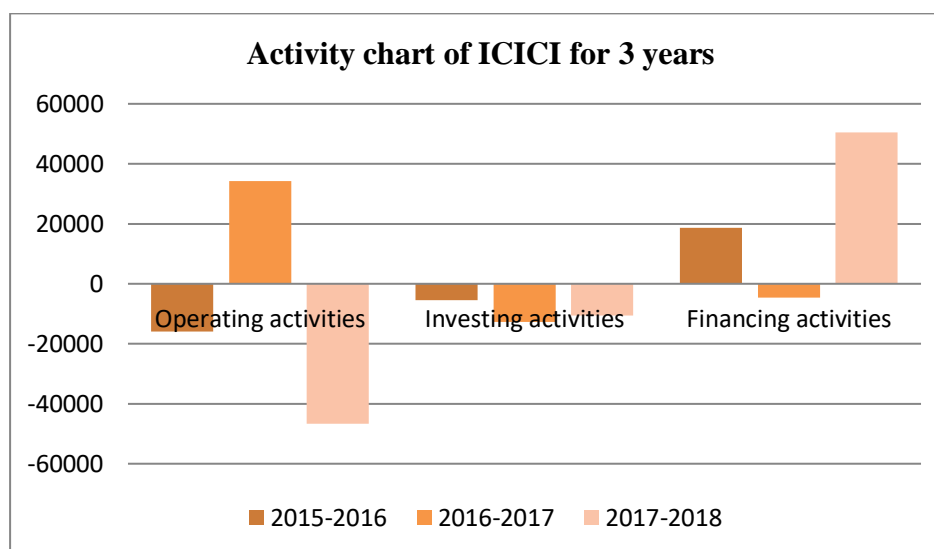
Year	2016	2017	2018
Ratio	12.65	14.06	14.25

**Interpretation:**

From the above data analysis it is interpreted that the financial analysis of SBI through the cash flow statement is done on the basis of various tools. The three major activities under the cash flow are – Operating, Investing & Financing activities. If the mean & median is greater that means the rank is high, so the mean of SBI for operating activity is greater than the other two, so it rank higher. Whereas, if the Standard deviation is low, higher will be the rank and vice versa. Standard Deviation helps us to know the variation in the activities for a given period of time.

## 2. ICICI BANK:

Year	Operating activities	Investing activities	Financing activities
2015-2016	22428.47	-3949.98	-585.07
2016-2017	39222.81	7045.42	-30378.79
2017-2018	13303.65	-38968.80	34118.30



- Mean:

1. Operating activities =

$$\begin{aligned}
 & \frac{22428.47 + 39222.81 + 13303.65}{3} \\
 & = 24984.82
 \end{aligned}$$

2. Investing activities =

$$\frac{-3949.98 + 7045.42 + (-38968.80)}{3}$$

3

= -35873.36

3. Financing activities =

$$\frac{-585.07 + (-30378.79) + 34118.30}{3}$$

= 3154.44

- Median:

1. Operating activities = 39222.81

2. Investing activities = 7045.42

3. Financing activities = -30378.79

- Standard Deviation:

1. Operating activities = 20485.1496

2. Investing activities = 6477.4921

3. Financing activities = 16571.2975

- Price to Book Value Ratio (P/B Ratio):

Year	2016	2017	2018
Ratio	1.05	1.49	1.15

- Enterprise Value per net sales (EV/EBIDTA):

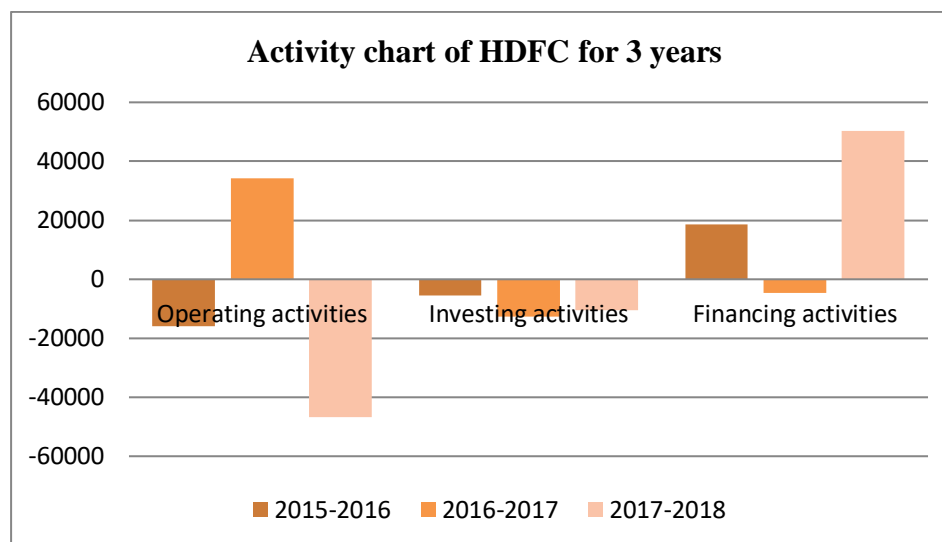
Year	2016	2017	2018
Ratio	12.65	14.06	14.25

**Interpretation:**

From the above data analysis it is interpreted that the financial analysis of SBI through the cash flow statement is done on the basis of various tools. The three major activities under the cash flow are – Operating, Investing & Financing activities. If the mean & median is greater that means the rank is high, so the mean of SBI for operating activity is greater than the other two, so it rank higher.

**3. HDFC BANK:**

Year	Operating activities	Investing activities	Financing activities
2015-2016	-3224.67	-804.76	6588.57
2016-2017	23585.40	-1956.25	-11567.63
2017-2018	26074.07	-533.10	48411.43



### **Analysis:**

- Mean:

1. Operating activities =

$$\frac{-3224.67+23585.40+26074.07}{3}$$

$$= 46434.80$$

2. Investing activities =

$$\frac{-804.76+(-1956.25)+(-533.10)}{3}$$

$$= -3297.11$$

3. Financing activities =

$$\frac{6588.57+(-11567.63)+48411.43}{3}$$

$$= 43432.37$$

- Median:

1. Operating activities = 23585.40

2. Investing activities = -1956.25

3. Financing activities = -11567.63

- Standard Deviation:

1. Operating activities = 7926.1065

2. Investing activities = 2891.3462

3. Financing activities = 1497.2263

- Price to Book Value Ratio (P/B Ratio):

Year	2016	2017	2018
Ratio	1.05	1.49	1.15

- Enterprise Value per net sales (EV/EBIDTA):

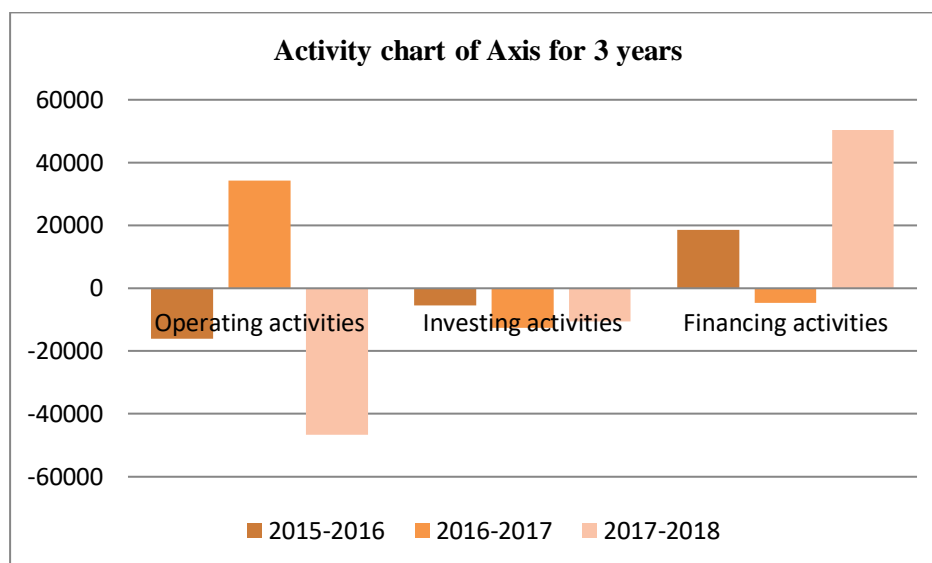
Year	2016	2017	2018
Ratio	12.65	14.06	14.25

### **Interpretation:**

From the above data analysis it is interpreted that the financial analysis of SBI through the cash flow statement is done on the basis of various tools. The three major activities under the cash flow are – Operating, Investing & Financing activities. If the mean & median is greater that means the rank is high, so the mean of SBI for operating activity is greater.

### **4. AXIS BANK:**

Year	Operating activities	Investing activities	Financing activities
2015-2016	-15971.85	-5435.51	18671.58
2016-2017	34192.28	-12630.39	-4628.87
2017-2018	-46693.30	-10500.31	50400.78



### **Analysis:**

- Mean:

1. Operating activities =

$$\frac{-15971.85 + 34192.28 + (-46693.30)}{3}$$

$$= -28472.87$$

2. Investing activities =

$$\frac{-5435.51 + (-12630.39) + (-10500.31)}{3}$$

$$= -28566.21$$

2. Financing activities =

$$\frac{18671.58 + (-4628.87) + 50400.78}{3}$$

$$= 64443.49$$

- Median:

1. Operating activities = 34192.28

2. Investing activities = -12630.39

3. Financing activities = -4628.87

- Standard Deviation:

1. Operating activities = 1257.4892

2. Investing activities = 34561.2781

3. Financing activities = 57814.3294

- Price to Book Value Ratio (P/B Ratio):

Year	2016	2017	2018
Ratio	1.05	1.49	1.15

- Enterprise Value per net sales (EV/EBIDTA):

Year	2016	2017	2018
Ratio	12.65	14.06	14.25

### **Interpretation:**

From the above data analysis it is interpreted that the financial analysis of SBI through the cash flow statement is done on the basis of various tools. The three major activities under the cash flow are – Operating, Investing & Financing activities. If the mean & median is greater that means the rank is high, so the mean of SBI for operating activity is greater than the other two, so it rank higher.

### **Findings**

Banks	SBI			ICICI			HDFC			AXIS		
Activities	OA	IA	FA	OA	IA	FA	OA	IA	FA	OA	IA	FA
MEAN	-15891.32			-7734.10			86570.06			7404.41		
MEDIAN	6095.60			15889.44			10061.52			16933.02		
RANK	2			3			4			1		
S.D.	20846.4459			1004.4916			6488.3901			12491.9276		
RANK	1			4			3			2		
P/B RATIO	3.69			2.33			0.92			3.24		
RANK	4			2			1			3		



EBIDTA	40.96	32.87	28.14	39.49
RANK	1	3	4	2

## Conclusion

On the basis of the study, Cash Flow Statement is a powerful mechanism of determining cash position and solvency position of the firm. Cash flow statement provides information about the inflow and outflow of cash. It is very useful in the evaluation of cash position of the firm. It helps in planning the repayment of loans, repayment of fixed assets. Through cash flow analysis, company can identify the unfertile use of fund as well as to determine and plan future cash flow. The most mutual pattern is a progressive operating activities cash flow and negative cash flows from investing and financing activities.

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## WHITEPAPER – HOW COMPANIES CAN IMPROVE CUSTOMER EXPERIENCE (CX) ?

**Dr. Yogesh Raut**  
Accenture Solutions Pvt Ltd

### **Abstract:**

*Customer-centric organizations want to develop competitive advantage by improving customer experience (CX). Customers don't just buy a product or a service, they perceive the entire process as an experience they recall when doing business with the company again. CX is the sum of all experiences the customer has before, after and while using a particular company's product or service. It's the customer's perception of the brand. This whitepaper discusses the behaviors that customer-centric organizations should implement to improve the CX.*

**Keywords:** CRX, Customer Experience, Empathy

### **Introduction**

A customer-centric organization is designed to keep customers happy by finding out what they want and dealing with their problems swiftly. In other words, customer centricity is the ability of an organization to understand the unique problems and expectations of their target customers, to understand the context of those needs, and to consistently deliver products/services that meet those expectations.

In a research carried out in 2016, CEOs and chief marketing officers have positioned customer-oriented, technology-related investments at the top of their agendas. Therefore, customer centricity is also near the top of CIOs' strategic business priorities.

Digital initiatives are very important for an improved customer experience (CX) to be at the top of the list of intended business outcomes. Application leaders supporting (Customer Relationship Management) CRM and CX are under pressure to deliver a modern technology portfolio to support a customer-centric business strategy. In this whitepaper we will look at some of the behaviors which will help organizations to improve CX. The behaviors have been identified by looking at organizations like Starbucks, Nike, SAP, Zappos, AT&T, Rackspace, Singapore Changi Airport amongst others.

1. Listening on a continuous basis to the customers

Continuously the customers are actively and / or passively providing businesses information that should be used for improving CX. What can the business leaders absorb?

- ✓ What customers purchase— will help leaders to make offers through social media, email, etc
- ✓ What is significant to customers —will help leaders to tailor the products/ services as per user requirements
- ✓ Where customers are located and where they usually go — will help leaders to match to geographical places, or even to whether a customer is using a mobile device or a fixed one
- ✓ Who customers are friends with — will help leaders to understand the purchases and interest of cohorts and thus help for deeper understanding of an individual

Till now organizations have used tools like surveys to listen to customers. With the advent of newer technologies organizations can continuously collect customer information in a better way. Also organizations can combine social media, web and app analytics-driven approach for collecting the data. Also another important tool leaders can use is the 'external community software' which can bring customers together to generate new ideas, insights and additional customer data. Specific technologies like Jive, Salesforce, Telligent, Lithium, and more are now available. The first step is to listen if we wish to have a customer-centric culture.

## 2. Building Customer Empathy Into Policies, Procedures and Processes

This must be there from beginning. According to Wikipedia - Empathy is the capacity to understand or feel what another person is experiencing from within their frame of reference, that is, the capacity to place oneself in another's position. To build empathy the Design Thinking tool called Customer Journey or Journey Map is extremely helpful, as it helps to understand the pain points of the customers. 63% of marketers currently use some sort of journey mapping, according to a report from Forrester. This trend is expected to continue.

A lack of coordination among internal departments can undermine the attempt to build customer empathy. Companies like Uber, Live Nation and many more understood the pains of the customer journey and improved them by slashing up existing business models. The range of pain points addressed by the above examples include ride sharing and the rules set by the music and entertainment industry. These organizations succeeded because of the empathy they have felt for customers. For building empathy below aspects are important: Channel convenience for the customer; Timely response to feedback; Deep understanding of the customer's pain points; Proactivity in customer engagement.

Consider a traveler who has lost her luggage containing the credit cards and is stranded in a hotel lobby, trying to get replacement cards. But when she calls the customer hotline, she won't have her credit card number — something many companies would ask her for through their IVR systems. However, an empathetic company will design the process to cut all the self-services and place a human agent as soon as possible on the telephone line, knowing the customer is upset.

Application leaders supporting CRM should remember that newer technologies such as AI, blockchain will not provide long-term business advantages unless customer empathy is a key design consideration. CRM business applications must be engineered to increase empathy toward the customer. Similarly, business policies and procedures must be designed with empathy in mind and the process owner must know how to translate that into a functional specification.

### 3. Creating Accountability

Creating a good plan is not sufficient, implementation aspect is equally important. There has to be someone who is responsible for execution. In a recent survey it was found that responsibility for improving the CX is often spread among many departments, with customer service, operations, marketing, sales and the strategy and planning department most heavily involved. It is true that while CX cuts across different aspects of a business, choosing a specific person for the whole business is the best way to keep things on track. Also, companies can select a person from current managers to shoulder this responsibility.

It will help if the person is asked to report directly to the CEO, board or operating committee. This will send an important signal that CX is important to the company. Further it will also help others buy in to the program. Going forward the CX owner should form a committee of people across departments. Finally, CX metrics should be made an integral part of KPI to drive behavioral change.

### Conclusion

As a company, you have to take improving CX personally and obsess over the reasons why people feel the way they do about you – it will dramatically help you grow the number of customers and hence profit.

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## A STUDY OF EFFECTIVENESS OF ONLINE MARKETING ON INTEGRATED MARKETING COMMUNICATION WORLDWIDE

**Prof. Dhananjay J. Rasal**

NSCT's Institute of Business Management & Research, Chakan, Pune

dhananjayrasal2018@gmail.com

### **Abstract:**

*As we knew that the marketing worldwide includes the online nature of its own which carries importance of it as high as which includes effective IMC messages and images are meaningful and useful to consumers, and messaging and branding consistency - a proven IMC concept - yield customer satisfaction and loyalty.*

*The science of online marketing is the research and analysis that goes into both choosing the online marketing strategies to use and measuring the success of those online marketing strategies. Online marketing uses internet to deliver promotional marketing messages to consumers. It includes email marketing, search engine marketing, social media marketing, many types of display advertising (including web banner advertising), and mobile advertising. Like other advertising media, online advertising frequently involves both a publisher, who integrates advertisements into its online content, and an advertiser, who provides the advertisements to be displayed on the publisher's content. Other potential participants include advertising agencies that help generate and place the ad copy, an ad server who technologically delivers the ad and tracks statistics, and advertising affiliates who do independent promotional work for the advertiser.*

**Keywords:** *Online Marketing, Integrated Marketing Communication, Media, Marketing, promotion*

### **Introduction**

Online Marketing refers to a set of powerful tools and methodologies used for promoting products and services through the internet. It connects organizations with qualified potential customers and takes business development to a much higher level than traditional marketing.

Integrated marketing communication (IMC) is an approach used by organizations to brand and coordinate their communication efforts. The American Association of Advertising Agencies defines IMC as "a concept that recognizes the added value of a comprehensive plan that evaluates the

strategic roles of a variety of communication disciplines, and combines these disciplines to provide clarity, consistency and maximum communication impact." The primary idea behind an IMC strategy is to create a seamless experience for consumers across different aspects of the marketing mix. The brand's core image and messaging are reinforced as each marketing communication channel works together in unity, rather than in isolation.

*According to William Stanton, "IMC is an element in organisation's marketing mix that is used to inform, persuade and remind the market regarding the organisation and / or its products."*

**The research objectives are -**

1. To understand the importance of Integrated Marketing Communication.
2. To understand the importance of Online advertising in changing market scenario.
3. To understand the reasons for growing popularity of online marketing.
4. To analyze the effectiveness of online marketing as compared to traditional marketing tools.
5. To identify the limitations of online marketing as IMC tool.

**Scope of the research**

The study aims to understand the massive contribution of Online marketing as a part of Integrated Marketing Communication and to know its splendid efforts towards promotion in practice and also to find out some challenges in using online marketing as a tool of integrated marketing communication. The recommendations of this research can be used to frame an appropriate Integrated Marketing Communication strategy in which companies can give special consideration to online marketing along with the other traditional tools of IMC.

**Research problem**

1. Should companies integrate various marketing tools to communicate about its brand?
2. How do consumers get awareness about different brands?
3. How online marketing plays important role in companies' marketing strategy?
4. What are the reasons for growing popularity of online marketing among consumers?
5. How is online marketing advantageous over traditional marketing?
6. What are the loopholes in online marketing?

History of IMC:

First defined by the American Association of Advertising Agencies in 1989, IMC was developed mainly to address the need for businesses to offer clients more than just standard advertising. The 4As originally coined the term the "new advertising", however this title did not appropriately incorporate many other aspects included in the term "IMC" - most notably, those beyond traditional advertising process aside from simply advertising.

Overall, an influx of new marketplace trends in the late 20th century spurred organizations to shift from the standard advertising approach to the IMC approach:

- Decreasing message impact and credibility: The growing number of commercial messaging made it increasingly more difficult for a single message to have a noteworthy effect.
- Decreasing costs of databases: The cost of storing and retrieving names, addresses and information from databases significantly declined. This decline allowed marketers to reach consumers more effectively.

#### **Benefits of IMC:**

- Although Integrated Marketing Communication requires a lot of effort, it delivers many benefits. It can create competitive advantage, boost sales and profits, while saving money, time and stress.
- IMC wraps communication around customers and helps them move through the various stages of the buying process. The organization simultaneously consolidates its image, develops a dialogue and nurtures its relationship with customers. This 'Relationship Marketing' cements a bond of loyalty with customers which can protect them from the inevitable onslaught of competition. The ability to keep a customer for life is a powerful competitive advantage.
- IMC also increases profits through increased effectiveness. At its most basic level, a unified message has more impact than a disjointed myriad of messages. In a busy world, a consistent, consolidated and crystal clear message has a better chance of cutting through the 'noise' of over five hundred commercial messages which bombard customers each and every day.
- IMC can boost sales by stretching messages across several communication tools to create more avenues for customers to become aware, aroused, and ultimately, to make a purchase.

#### **Benefits of Online marketing:**

- Internet gives you a wide access of your potential customers. It has been estimated that a couple of billion people around the world use the Internet, and more are becoming aware of



Internet with each passing day. So, marketing your business to such a large group of people is only possible through Internet.

- Internet is the only medium that is able to cross geographic and national boundaries.
- The cost of promoting your business on the Internet is cheaper than other mediums of marketing. This makes it easy for small and mid-sized businesses to advertise their products.

### **Limitations of IMC:**

- In addition to the usual resistance to change and the special problems of communicating with a wide variety of target audiences, there are many other obstacles which restrict IMC. These include: Functional Silos; Stifled Creativity; Time Scale Conflicts and a lack of Management know-how.
- Some organizational structures isolate communication, data, and even managers from each other. For example the PR department often doesn't report to marketing. The sales force rarely meets the advertising or sales promotion people and so on.
- And all of this can be aggravated by turf wars or internal power battles where specific managers resist having some of their decisions (and budgets) determined or even influenced by someone from another department. It shouldn't matter whose creative idea it is, but often, it does. An advertising agency may not be so enthusiastic about developing a creative idea generated by, say, a PR or a direct marketing consultant.

### **Tools of IMC:**

- Public Relations programs are a planned communication effort by an organization to contribute to generally favorable attitudes and opinions toward an organization and its products. It is a communication function that seeks to build good relationships with consumers, stockholders, and legislators. The advantages of publicity are low cost, and credibility (particularly if the publicity is aired in between news stories like on evening TV news casts). New technologies such as weblogs, web cameras, web affiliates, and convergence (phone-camera posting of pictures and videos to websites) are changing the cost structure.
- Personal Selling is oral communication with potential buyers of a product with the intention of making a sale. The personal selling may focus initially on developing a relationship with the potential buyer, but will always ultimately end with an attempt to "close the sale. According to American Marketing Association, Personal selling is the personal or impersonal process of

assisting or persuading a prospective customer to buy a product or service and to act favorable upon an idea that has commercial significance to the seller.

### **Tools of Online marketing:**

- Display advertising - Display advertising conveys its advertising message visually using text, logos, animations, videos, photographs, or other graphics. Display advertisers frequently target users with particular traits to increase the ads' effect.
- Web banner advertising - Web banners or banner ads typically are graphical ads displayed within a web page. Banner ads can use rich media to incorporate video, audio, animations, buttons, forms, or other interactive elements using Java applets, HTML5, Adobe Flash, and other programs.
- Frame ad (traditional banner) - Frame ads were the first form of web banners. The colloquial usage of "banner ads" often refers to traditional frame ads. Website publishers incorporate frame ads by setting aside a particular space on the web page.
- Search Engine Marketing (SEM) - Search Engine Marketing, or SEM, is designed to increase a website's visibility in search engine results pages (SERPs). Search engines provide sponsored results and organic (non-sponsored) results based on a web searcher's query. Search engines often employ visual cues to differentiate sponsored results from organic results. Search engine marketing includes all of an advertiser's actions to make a website's listing more prominent for topical keywords.
- Search Engine Optimization (SEO) -Search Engine Optimization, or SEO, attempts to improve a website's organic search rankings in SERPs by increasing the website content's relevance to search terms. Search engines regularly update their algorithms to penalize poor quality sites that try to game their rankings, making optimization a moving target for advertisers. Many vendors offer SEO services.
- Sponsored search - Sponsored search (also called sponsored links or search ads)allows advertisers to be included in the sponsored results of a search for selected keywords. Search ads are often sold via real-time auctions, where advertisers bid on keywords.
- Social media marketing - Social media marketing is commercial promotion conducted through social media websites. Many companies promote their products by posting frequent updates and providing special offers through their social media profiles.
- Mobile Advertising - Mobile advertising is ad copy delivered through wireless mobile devices such as smart phones, feature phones, or tablet computers. Mobile advertising may take the

form of static or rich media display ads, SMS (Short Message Service) or MMS (Multimedia Messaging Service) ads, mobile search ads, advertising within mobile websites, or ads within mobile applications or games (such as interstitial ads, “averaging,” or application sponsorship).

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

### **Literature Review:**

As per Don Schultz (2008), IMC is a strategic business process used to plan, develop, execute and evaluate coordinated, measurable, persuasive brand communication programmes over time with consumers, customers, prospects, and other targeted, relevant external and internal audiences. The key difference in this definition of IMC from that of simple Marketing Communication is highlighted by use of three words: i) strategic, ii) evaluate and iii) measurable. In essence, IMC enforces use of marketing communication mix in such a way that it is strategically designed to achieve certain objectives, measured to enforce accountability over marketers and are evaluated over time. These elements are also stressed on by various IMC authors (Schultz, 1996; Duncan & Caywood, 1996), who believe that although the concept of IMC is not new, but the fact that previously marketing communication was not coordinated strategically and strategy is now believed critical, gives this concept a new look.

In another definition of IMC given by a well-known author on IMC literature, Kliatchko (2005) reflects the same concept. As per the author, IMC is the concept and process of strategically managing audience-focused, channel-centered and results-driven brand communication programmes over time. This definition is a bit more specific and along with strategy and accountability it emphasizes specifically on communication being channel-centered and audience-focused. Managing and coordinating the integration of company's communication across different media and channels is an important aspect of IMC. IMC does involve a process/plan aimed at providing consistency and impact through integration of communication via different mediums (Larich & Lynagh, 2009).

### **IMC – The Changing trend:**

The concept certainly suggests about making the communication mix — interdependent bringing in more integration and moving towards having multiple ways of accessing media i.e. bringing in more

versatility in the marketing mix by using a mix of traditional and new media. Moreover, it refers to the behavior of media audience as being migratory, i.e. shifting to the media that can provide them their desired experience. In such an environment, customers are actively involved in seeking new information and make connections among dispersed media content.

### **Future of IMC**

The conception of integrated marketing communication (IMC) is fairly new. The IMC tools allows marketing manager to plan and then execute his marketing communication programs, which create and maintain mutually beneficial, long-term relationships with the target market by satisfying their needs and wants. This means that promotion tools are used to create loyalty.

#### **1. Competitive Advantage:**

The Various tools that organization has can be used as a competitive edge against the competitors. Competitive advantage is the edge and the ability of firm to provide superior value to its target market as compared to competitors. As IMC components are designed as a whole, the organization is able to focus its efforts in all the communication elements that create single, powerful brand equity by speaking with one voice. This single brand message provides a competitive advantage to the company as the target clearly understand that what the company is communicating.

#### **2. Brand Equity**

IMC strategies are essential to the company's strategic brand management because IMC strengthens the interface between the organization's strategy of brand identity and the target market's brand equity. The organization that uses IMC strategies will be able to measure the brand awareness and brand image of its various offerings. Specifically IMC strategies and brand identity are the most vital parts of the company's overall brand equity strategy. The brand identity strategy of the organization serves as a foundation for its overall IMC initiative and, for this reason, accounts for to the firm's brand equity.

#### **3. Online Advertising:**

Online Advertising is becoming powerful IMC tool for advertisers and organization can use online advertisement as people are now spending more time online; the Internet became another channel via which companies can market their offerings successfully. (Google 2007)

Because of the Internet's versatility, it will give an organization the opportunity to reach and interact with its target market. Companies can now produce an IMC campaigns that exclusively target the desired customer more successfully with less cost as compared to traditional communication efforts. Online campaigns will give organization new abilities to the organization due to the following reasons:

### **Importance of Online marketing**

Growth of internet users must be credited for the growth of online marketing. With the advent of internet technology number of internet user is increasing at the greater extent across the world. India stands at fourth place with 81 million internet users in 2010. ([www.internetworldstats.com](http://www.internetworldstats.com))

Online marketing is becoming increasingly important to small businesses of all types. In the past, marketing online was something that local bricks-and-mortar businesses could justifiably ignore. It didn't make sense to waste time and money on online marketing when all your business was local.

Now with increasing local search and people's new habit of searching on the Internet first, it matters.

Online marketing refers to a set of powerful tools and methodologies used for promoting products and services through internet. Online marketing includes a wider range of marketing elements than traditional business marketing due to the extra channels and marketing mechanisms available on the internet.

Following are few specific contributed to the growth of online marketing -

- Growth in potential
- Reduced expenses
- Elegant communication
- Better control
- Improved customer service
- Competitive advantage

### **Advantages of Online Marketing**

One of the most important advantages is the fast availability of the information. The clients/users can easily get information, by navigating the internet, about the products that they wish to purchase, and besides that, they can check the information at anytime of the day.

1. It allows the companies to save money, an aspect that is really taken into account by the companies since the online marketing campaigns don't require a large amount of investment.
2. The previous mentioned aspect, gives less importance to the differences between large and small companies in some way, thus increasing the competition and giving that way advantages to the customers.
3. Presence on the Internet can help the expansion of the company from a local market to national and international markets at the same time, offering almost infinite expanding possibilities.
4. On the internet everything can be measured, thus it's easier for the companies to know almost instantly if their campaign is working or not, what company or user is interested in their products, from what cities or countries are they, etc.

#### **Disadvantages of Online Marketing:**

1. Slow internet connections can cause difficulties. If the companies build too complex or too large websites, it will take too long for users to check them or download them and they will get bored eventually.
2. The e-commerce doesn't allow the user "to touch" the merchandise before purchasing it. Because of this, some salesmen are starting to guarantee the possibility of returning the product. In Germany, where a law that regulates e-commerce and guarantees the customers the total refund of the money exists since 2000, the electronic commerce is very popular.
3. Other factor is the payment: many users still don't trust in the electronic methods of paying and give up buying online because of this.

#### **Research Methodology**

The first step is to formulate a research design. This means planning a strategy of conducting research. It is a detailed plan of how the goals of research will be achieved. Research design is exploratory, descriptive and/or experimental in nature. It is helping the investigator in providing answers to various kinds of social/economic questions. After collecting and analysis of the data, the researcher has to accomplish the task of drawing inferences. Only through interpretation researcher can expose relations and processes that underlie his findings and ultimately conclusions.

Interpretation refers to the task of drawing inferences from the collected facts after an analytical study.

**Survey Method:**

The survey method is the technique of gathering data by asking questions from people who are thought to have the desired information. Every effort should be made to state the objectives in specific terms.

The survey design can be defined as: “gathering information about a large number of people by interviewing a few of them.”(BACKSTROM & HURSH P3)

The definition can be modified by stating that collecting information with other data collection alternatives available to survey researcher in addition to interviewing i.e. questionnaire, personal observation etc.

**Data Collection:**

Data collection means to a purposive gathering of information relevant to the subject matter of the study from the units under research.

Primary data are empirical observations gathered by the researcher or his associates for the first time for any research and used by them in statistical analysis. There are several methods of collecting primary data particularly in descriptive researches.

- Telephone enquiries
- Postal/mail questionnaire
- Personal interviewing
- Panel research
- Special survey techniques.
- The Tools for Integrated Marketing Communication

**Each communication tools has own unique characteristics & costs. The tools that marketers commonly use to achieve their communication objectives are:**

1. Advertising

2. Personal Selling:
3. Personal selling is the most effective tool at later stage of the buying process, particularly in building up buyer preference, conviction & action. Personal selling has three distinctive qualities:
4. Personal Interaction: Personal selling involves an immediate & interactive relationship between two or more persons. Each party is able to observe the others reactions.
5. Sales Promotion:
6. Companies use sales promotion tools – coupons, contests, premiums etc. to draw a stronger & quicker buyer response. Sales promotion can be used for short run effects such as to highlight product offers & boost sagging sales. Sales promotion tools offer three distinctive benefits.
7. Communication: They gain attention & may lead the consumer to the product. Reasons for the Growing Importance of Integrated Marketing Communication

Several shifts in the advertising and media industry have caused IMC to develop into a primary strategy for marketers:

- From media advertising to multiple forms of communications are available.
- From mass media to more specialized (niche) media, which are centered around specific target audiences.
- From a manufacturer-dominated market to a retailer-dominated, consumer-controlled market is focus.
- Case study: Flipkart.com – success story

It was meant to be a portal that compared different e-commerce websites, only there weren't enough of them in the first place to be compared. Thus was born Flipkart, making sure that online shopping would never be the same again in India.

From a two-member embryonic idea to a 4,500-member company, the Flipkart story is not just about stupendous success and mind-numbing numbers. Much more than that, it's about redefining customer experience and breaking online shopping inertia.

### **Conclusion:**

So become essential trend worldwide that every product new/old to achieve success in all terms i.e. profit, sale margin and to remain present in market globally have to do effective and attractive online marketing people will purchase which we may call as smart purchasing as customer



nowadays will get all the updates of every product very effectively in a very small span of time as online sources & media.

Consumers reckon upon more than one medium to get knowledge of any brand. Due to unlimited brand choices & price sensitivity, they undertake a detailed evaluation of various brands by referring more number of sources of information. So they may be using combination of various mediums such as print ads, television commercials, in-store promotion to know about different aspects of the brand.

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## FDI AND INDIAN ECONOMIC GROWTH FACTORS – AN EMPIRICAL ANALYSIS

**Prof. Pramod T. Kumkar**

(M.com. MBA, GDC&A)

Assistant Professor

MJPET's S.N.G. Institute of Management and Research, Rajgurunagar

### **Abstract:**

*The role of FDI in the growth process has been a burning topic of debate in several countries including India. Investment provides the base and pre-requisite for economic growth and development. Apart from a nation's foreign exchange reserves, exports, government's revenue, financial position, available supply of domestic savings, magnitude and quality of foreign investment are necessary for the well being of a country. Economic growth - This is one of the major sectors, which is enormously benefited from foreign direct investment. A remarkable inflow of FDI in various industrial units in India has boosted the economic life of country. This study is entirely based on secondary data. The present study is limited to assess the determinants of Foreign Direct Investment flows and its impact on Indian economy. For this purpose empirical data are estimated for the period 1995 to 2018. We conclude that there is significant effect of FDI on India's economic Growth FDI can help to raise the output, production and export at the sectoral level of the Indian economy. The study tries to find out how FDI seen as an important economic catalyst of Indian economic growth by stimulating domestic investment, increasing human capital formation and by facilitating the technology transfers. The main purpose of the study is to investigate the impact of FDI on economic growth in India.*

**Keywords:** FDI; Economic Growth; GDP; Economic Indicator; etc.

### **INTRODUCTION**

Global outward and inward FDI flows continued to be high in the 1990s despite the financial crisis and difficult economic scenario in most part of the world especially towards the developing countries. Foreign direct investment (FDI) is an investment in a business by an investor from another country for which the foreign investor has control over the company purchased. The Organization of Economic Cooperation and Development (OECD) defines control as owning 10% or more of the business. Businesses that make foreign direct investments are often called multinational corporations (MNCs) or multinational enterprises (MNEs). A MNE may make a direct investment by creating a

new foreign enterprise, which is called a green field investment, or by the acquisition of a foreign firm, either called an acquisition or brown field investment. FDI inflow helps the developing countries to develop a transparent, broad, and effective policy environment for investment issues as well as, builds human and institutional capacities to execute the same. Attracting foreign direct investment has become an integral part of the economic development strategies for India. FDI ensures a huge amount of domestic capital, production level, and employment opportunities in the developing countries, which is a major step towards the economic growth of the country. FDI has been a booming factor that has bolstered the economic life of India, but on the other hand it is also being blamed for ousting domestic inflows.

*Some of the biggest advantages of FDI enjoyed by India have been listed as under:*

**Economic growth-** This is one of the major sectors, which is enormously benefited from foreign direct investment. A remarkable inflow of FDI in various industrial units in India has boosted the economic life of country.

**Trade-** Foreign Direct Investments have opened a wide spectrum of opportunities in the trading of goods and services in India both in terms of import and export production. Products of superior quality are manufactured by various industries in India due to greater amount of FDI inflows in the country.

**Employment and skill levels-** FDI has also ensured a number of employment opportunities by aiding the setting up of industrial units in various corners of India.

**Technology diffusion and knowledge transfer-** FDI apparently helps in the outsourcing of knowledge from India especially in the Information Technology sector. It helps in developing the know-how process in India in terms of enhancing the technological advancement in India.

**Linkages and spillover to domestic firms-** Various foreign firms are now occupying a position in the Indian market through Joint Ventures and collaboration concerns. The maximum amount of the profits gained by the foreign firms through these joint ventures is spent on the Indian market.

*Advantages for MNEs:*

**Access to markets.** FDI can be an effective way for you to enter into a foreign market. Some countries may extremely limit foreign company access to their domestic markets. Acquiring or starting a business in the market is a means for you to gain access

**Access to resources.** FDI is also an effective way for you to acquire important natural resources, such as precious metals and fossil fuels. Oil companies, for example, often make tremendous FDIs to develop oil fields.

**Reduces cost of production.** FDI is a means for you to reduce your cost of production if the labor market is cheaper and the regulations are less restrictive in the target foreign market. For example, it's a well-known fact that the shoe and clothing industries have been able to drastically reduce their costs of production by moving operations to developing countries.

#### *Advantages to Foreign Countries:*

**Source of external capital and increased revenue.** FDI can be a tremendous source of external capital for a developing country, which can lead to economic development. For example, if a large factory is constructed in a small developing country, the country will typically have to utilize at least some local labor, equipment and materials to construct it. This will result in new jobs and foreign money being pumped into the economy. Once the factory is constructed, the factory will have to hire local employees and will probably utilize at least some local materials and services. This will create further jobs and maybe even some new businesses. These new jobs mean that locals have more money to spend, thereby creating even more jobs. Additionally, tax revenue is generated from the products and activities of the factory, taxes imposed on factory employee income and purchases, and taxes on the income and purchases now possible because of the added economic activity created by the factory. Developing governments can use this capital infusion and revenue from economic growth to create and improve its physical and economic infrastructure such as building roads, communication systems, educational institutions and subsidizing the creation of new domestic industries.

**Development of new industries.** Remember that a MNE doesn't necessary own all of the foreign entity. Sometimes a local firm can develop a strategic alliance with a foreign investor to help develop a new industry in the developing country. The developing country gets to establish a new industry and market, and the MNE gets access to a new market through its partnership with the local firm.

**Learning.** This is more of an indirect advantage. FDI exposes national and local governments, local businesses and citizens to new business practices, management techniques, economic concepts, and technology that will help them develop local businesses and industries.

#### *Disadvantages to MNEs:*

**Unstable economic conditions.** Much of FDI takes place in the developing world, which is just

developing its economic systems. The market conditions in the developing world can be quite unstable and unpredictable.

**Unstable political and legal system.** A bigger problem may be unstable or underdeveloped political and legal systems. A company may have to deal with a corrupt or unstable political system. Additionally, the legal system may be underdeveloped. Contracts and property rights may not be easily enforced, for example.

***Disadvantages to the Foreign Countries:***

**Race to the bottom.** Some have argued that developing nations are forced into a race to the bottom regarding labor and regulations in order to attract foreign investors who seek cheap labor and non-existent or lackadaisical regulation to maximize its profit potential. Such a race could result in severe environmental damage to the foreign country, the stripping of natural resources and abusive labor practices that are not acceptable in the developed world.

**Crowd out local development.** Foreign investment may also crush the local competition, resulting in problems in long-term economic development.

**Undue political influence.** MNEs can theoretically exert a huge amount of power in a developing country because of the capital it brings into the country. This influence may be compounded if a corrupt government is in place willing to acquiesce to deals that may not be in the best interests of its citizens.

***Economic Growth and Factors:***

Economic Growth is a narrower concept than economic development. It is an increase in a country's real level of national output which can be caused by an increase in the quality of resources (by education etc.), increase in the quantity of resources & improvements in technology or in another way an increase in the value of goods and services produced by every sector of the economy. Economic Growth can be measured by an increase in a country's GDP (gross domestic product). A positive change in the level of production of goods and services by a country over a certain period of time. Nominal growth is defined as economic growth including inflation, while real growth is nominal growth minus inflation. Economic growth is usually brought about by technological innovation and positive external forces. Economic factors that contribute to the success or failure of companies, business ventures, and individual products. These factors may include the rate of inflation, interest rates, stock market performance, the level of unemployment, demographic changes, and fiscal

policies or changes made by the government. Growth relates to a gradual increase in one of the components of Gross Domestic Product: consumption, government spending, investment, net exports. Quantitative measurement and effects quantitative changes in the economy and increases in real GDP. Economic growth is a more relevant metric for progress in developed countries. But it's widely used in all countries because growth is a necessary condition for development and scope is growth concerned with increase in the economy's output.

### **STATEMENT OF THE PROBLEM**

The present study tries to assessing the determinants and impact of FDI in Indian economic factors. Thus, the present study is an endeavor to discuss the trends and patterns of FDI, and its impact of FDI on Indian economy.

#### ***Objectives of the study:***

To identify the factors which influence the flow of FDI in India?

To investigate empirically the role and effect of Foreign Direct Investment (FDI) ) on economic growth factors and their causality using annual data of Indian Economy over the post reforms period 1995 to .

### **RESEARCH METHODOLOGY**

The study carried out is analytical and empirical in nature in which it explores the relationship between the Inflows of FDI and their impact on Indian economic growth. Further, in order to show the position of FDI in we selected different economic growth factors i.e., GDP, Stock Market, Export, Currency, Production, Foreign Exchange Reserves, Interest Rate, Unemployment Rate.

#### ***Sources of data collection:***

Data for the study is collected from Secondary sources. The study is based on published sources of data collected from journals, magazines, websites likes i.e., [www.tradingeconomics.com/charts/india-foreign-exchange-reserves](http://www.tradingeconomics.com/charts/india-foreign-exchange-reserves). Indiaforexcres, [www.tradingeconomics.com/india/foreign-direct-investment](http://www.tradingeconomics.com/india/foreign-direct-investment) and the data was extracted from the following sources: RBI, various issues Economic Survey, Government of India, various issues Department of Industrial Policy and Promotion (DIPP) Secretariat of Industrial Assistance (SIA), Central Statistical Organization (CSO) Handbook of Statistics on the Indian economy were used.

***Impact of FDI Inflows on the Indian Economy:***

The impact of FDI on the Indian economy is hypothesized as per the economic factors included in the analysis. GDP, Currency, Stock Market, Foreign Exchange Reserves, Interest Rate, Current Account, Exports, Imports, and Unemployment Rate are used to assess the relationship between these economic factors and FDI inflows in India.

***Indian Economic Indicators:***

This data is taken from India Foreign Direct Investment - actual values, historical data, forecast, chart, statistics, economic calendar and news: on 31-03- .

**CONCLUSION**

Foreign direct investment occurs when a business invests in a foreign country by either acquiring a foreign business that it controls or starting a business in the foreign country. Even though global economies are suffering with financial crisis and other economic hurdles, India still stands as a global investment destination. Keeping in view of current requirements and benefits of the nation, the government of India comes up with new policies from time to time. Government should design the FDI policy such a way where FDI inflow can be utilized as a means of enhancing domestic production, savings and exports through the equitable distribution among states by providing much freedom to states, so that they can attract FDI inflows at their own level. Further, the study shows the share of FDI in different economic growth factors from 1995 to 2018. From the above discussions of the study, it is observed from the results of the above analysis that Trade, GDP, Reserves GDP, Exchange rate, are the main determinants of FDI inflows to the country. In other words, these economic growth factors have a profound impact on the inflows of FDI in India.

FDI plays a significant role in enhancing the level of economic growth of the country. This analysis also helps the future aspirants of research scholars to identify the main determinants of FDI at the sectoral level. Finally, the study observes that FDI is a significant factor influencing the economic growth in India. It provides a sound base for economic growth and development by enhancing the financial position of the country. It also contributes to the GDP and foreign exchange reserves of the country.

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## A STUDY ON CUSTOMER SATISFACTION AND PERCEPTION TOWARDS D-MART

**Dr. Rajeshkumar Jha**

Associate Professor

Dr. D.Y.Patil Institute Of Management & Enterprenere Developement, Varale

**Prof. Pankaj Shewale**

Assistant Professor

Dr. D.Y.Patil Institute Of Management & Enterprenere Developement, Varale

### **Abstract:**

*The focus of this research paper is to understand the satisfaction and perception of customers towards Dmart. Specially this research will specify to identify which factors affect on satisfaction. The purpose of this study is to find out overall satisfaction towards Dmart. Some people are satisfied about price, some people about product variety. Research was done through questionnaire and discuss with some customers in college campus who are customers of dmart. This paper was thus developed to investigate the satisfaction levels of customers in dmart. Data was collected from dmart in akurdi, pune .the study examined the importance of overall dimensions and specific elements of customer's satisfaction towards the measurement of satisfaction level.*

**Keywords:** *customers satisfaction, perception, product variety, price.*

### **Introduction:**

Dmart is a chain of hypermarket and supermarket in India started by R K Damani as of 2015 it has 89 stores across Maharashtra ,Gujarat, Telangana , Andhra Pradesh ,Madhya Pradesh, and Karnataka ,and a recent purchase of property in Rajkot shows that it is well advancing towards expanding across India. Traditionally, companies have relied only on differentiation of product and services to retain their consumers and also to satisfy the consumers. However ,times have changed, due to fierce competition from new players entering the market ,imitation of new features and increase in number of new offers, customers have acquired new choice and they have also become more price sensitive, which forced marketers to adapt differentiated and customer oriented strategies, in order to enable

them to stand out in the competition and gain a competitive edge. According to Singh (2006), one of the fundamentally important drives of organizational success is that enterprises must take the needs and wants of their customers into account. That is the reason why the researcher such as Reicheld & Sasser (1990), Ciavolino & Dahlgaard (2007), Singh (2006); LaBabera & Mazursk (1983), Carpenter (2008), Bridson et al. (2008) have paid attention to the importance of customer satisfaction. Loyalty and retention have been continuously paid attention worldwide.

Due to the tremendous growth of service industry in which retailing sector plays an important role, it is vital for retailers to understand the degree of importance of listening to the inner voice of customers' needs to create, increase level of satisfaction. Ultimately, effective satisfaction leads to prospective long term relationship and loyalty through repeating purchase and recommendation, which helps retailers maintain their market share and position. Consumers' needs have become sophisticated and it is imperative that grocery store look for building long term and stable relationship with their customers as a way of driving satisfaction up since satisfaction does translate later into loyalty and retention.

### Research Objective

- The aim of the paper was to identify and describe factors of customers about overall satisfaction of D-Mart.
- The research also measured level of satisfaction customers towards D-mart.
- Comparatively analyze customer satisfaction for D-mart.

### Research Methodology

- Type of Research Design : Descriptive Research Design
- Sampling Method: Random Sampling Method
- Sample Size: 50
- Sampling Area: Pune City
- Data Collection: **Primary Data**-Questionnaire, Discussion, **Secondary Data**- Dmart record, websites, Research journals, periodicals and reports etc.
- Research Approach: Survey Method

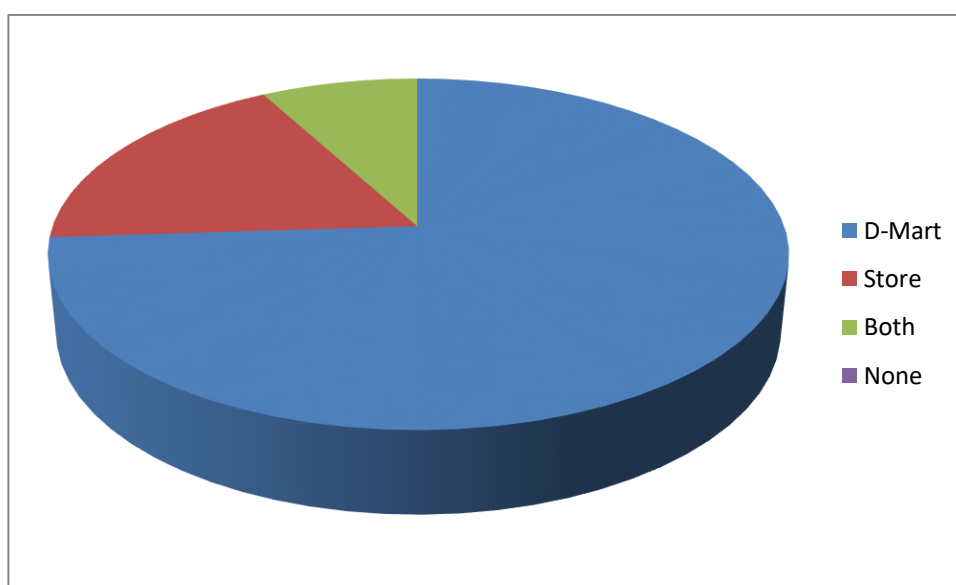
## Data Analysis

This questionnaire was distributed among a sample of 50 consumers who shops from D-mart & others in a particular area of pune city. The results obtained from response were analyzed

### Analysis of Response

#### 1. Which Store you prefer first?

	D-Mart	Store	Both	None	Total
No of responses	37	9	4	0	50
Percentage	74	18	8	0	100



#### Analysis:

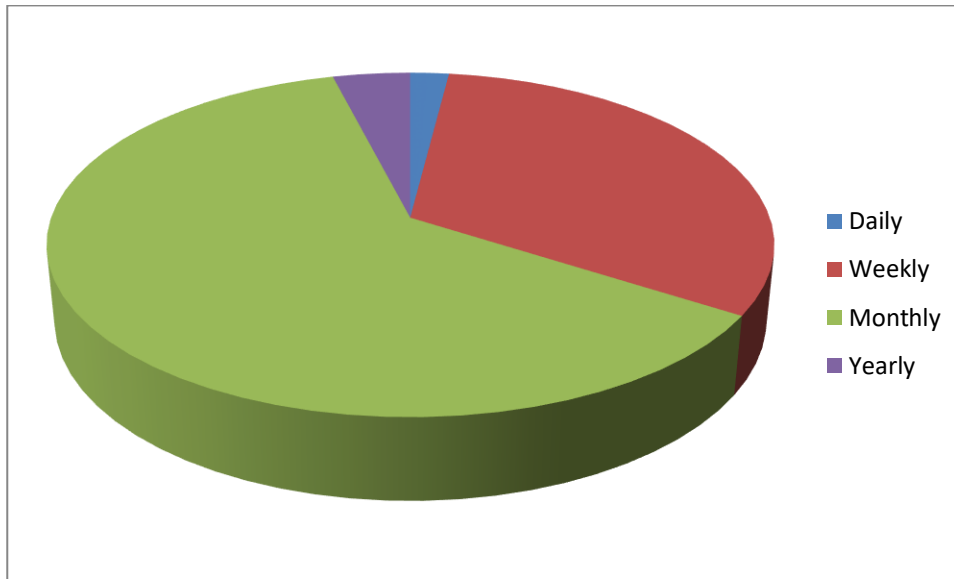
From the survey, from 50 respondents, gave response for more powerful preferences to D-mart is 74%, store 18%, Both 8%, & none 0%.

#### Interpretation:

Majority of the customers are give response for most powerful preference is D-mart. We can also interpret that the D-mart comparison is more powerful attract with the purchasing systems by the D-mart.

#### 2. How frequently do you use D-mart?

	Daily	Weekly	Monthly	Yearly	Total
No of responses	1	16	31	2	50
Percentage	1	35	62	2	100



#### Analysis:

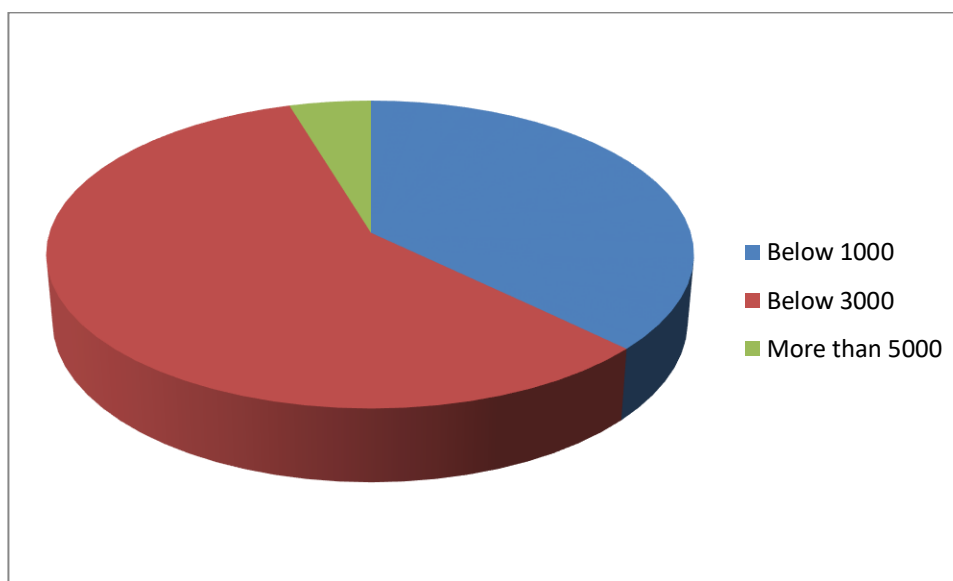
- Only 1 consumer can prefer D-mart for daily shopping purpose.
- 17 consumers can prefer D-mart for weekly shopping purpose.
- 30 consumers can prefer D-mart for monthly shopping purpose.
- 17 consumers can prefer D-mart for weekly product.
- Lastly 2 numbers of consumers can prefer D-mart for yearly shopping purpose.

#### Interpretation

Majority of consumers like D-mart for monthly shopping purpose. D-mart offers the various numbers of offers with affordable prices which are easily preferable for every individual in any income group.

#### 3. Level of shopping from D-mart?

	Below 1000	Below 3000	More than 5000	Total
No of responses	16	25	2	43
Percentage	32	50	4	86



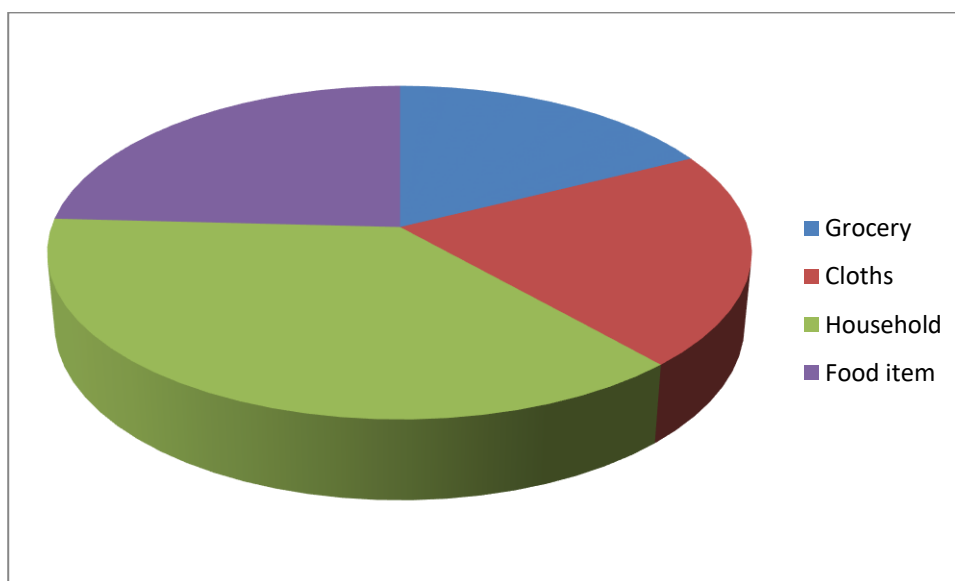
#### Analysis:

- 16 number of consumers level of shopping from D-Mart is 32% for the shopping of a product at the below 1000 price list.
- While 2 number of consumers levels of shopping from D-Mart 50% or the shopping product at the below 3000 price list.
- Only 4 number of consumers levels of shopping is more than 5000.

So from the analysis it is observed that at present in the Pune city D-Mart shopping mall is affordable for the middle income group. It is not suitable for every income group.

#### 4. Type of product you prefer to purchase?

	Grocery	Cloths	Household	Food item	Total
No of responses	16	19	34	22	91
Percentage	32	38	68	44	182



#### Analysis:

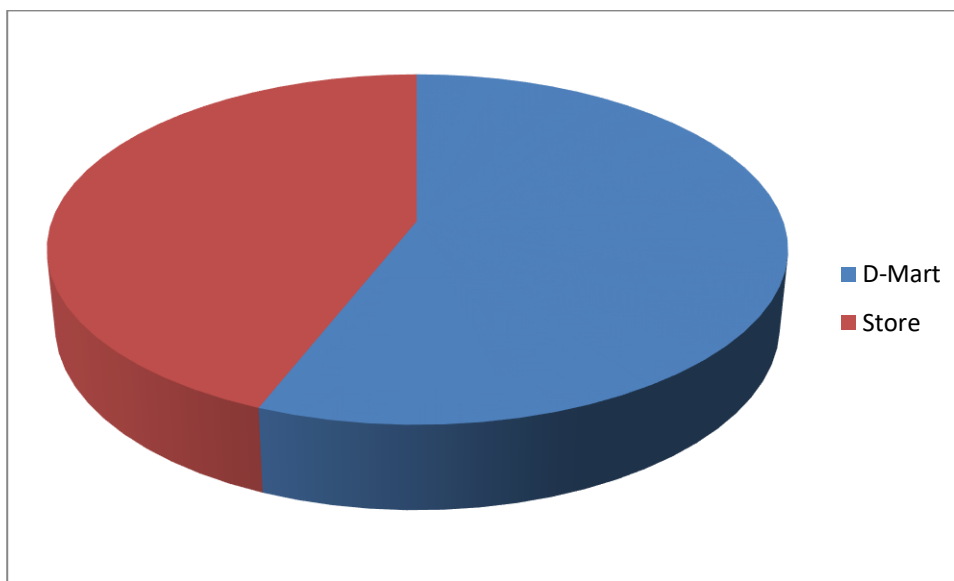
- From the survey, from 90 respondents, gave response for which section like of the store to 68% of them Household, &44% of them Food, &38% of them cloths &32% of them Grocery.

#### Interpretation:

Majority of customers are given response for household items of the store like the most .We are also interpret that some of the products brand are pre decided in a advance and for some of the products customers don't all pre decide any brand .As per household items are concerned customers pre decide the branded products are available in the store. And some people aren't like purchase Grocery from the store.

#### 5. For day to day need you prefer?

	D-Mart	Store	Total
No of responses	28	22	50
Percentage	55	45	100

**Analysis:**

- From the survey of 50 responds 28 numbers of consumers, give responds for D-mart in huge number of percentage in 56%.
- There are 22 numbers of consumers give respondents to the store in 44%.

**Interpretation:**

Majority of consumers give respondents to the D-Mart in 56% for day to day need of shopping.

**Findings:**

- Most of the customers by their requirement in D-Mart & any other superstore or small store on daily basis only. Customers retailed that D-Mart & any stores provide qualitative products & services with reasonable price.
- At present D-Mart & any other superstore or small stores provide different types of products assortments to the customers.
- D-Mart mainly deals with middle income group people who want qualitative product with reasonable cost.
- There are more than 110 stores of D-Mart in different cities in India. It seems that there is a vast growth of D-Mart lying as customers demand is increasing for D-Mart as compare to store.

**Conclusion:**

- D-Mart is a hypermarket as it provides various kinds of goods like apparels, grocery, stationary, food items, electronics items, leather items, watches, jewellery, crockery, decorative items, sports items, chocolates and many more.
- It competes with all the speciality stores of different products which goods at a discounted rate all throughout the year.
- It holds a large customer base and it seemed from the study that the customers are quite satisfied with D-Mart.
- As of now there are 110 stores of D-Mart in different cities of India. It seems that there is a vast growth of D-Mart lying as customer demand increasing for D-Mart. It has emerged as a hub of shopping speciality for middle class people.

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Printed and published by Dr. S. G. Walke (Editor-in-Chief) on behalf of SNG Institute of Management & Research, Pune – 410505 and printed at Shivshambho Printers, Rajgurunagar  
Editor: Dr. M. M. Shetiya.