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Kalpna Verma

Prof. K.V.Murthy

IMR

A Bi-annual Journal

Management Speak

Green Marketing: an Overview

The Relationships between Retail Brands and Consumer Store Loyalty

Effects of Branding on Consumer Buying Behaviour - a Study in Relation to Fashion Industry

Human Resource Management and Leadership in Hospitality Industry

New Paradigms of Human Resource Development and Challenges of Current Education System In India

Review of Health Insurance in Different Countries

Role of Effective Training Practices in Emerging Markets: a Case Study of Indian PSU

Role of Folk Media in Rural Development

Book Review

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Editor's Desk

Dear Readers,

As per a survey by a leading magazine of the country, pollution kills 627,000 Indians in year, cuts life span and threatens to make our cities unlivable for the future generations. Indeed, it is an alarming bell for the country citizens to awake and to take measures by themselves and the government. Dust from construction sites, exhaust fumes from vehicles, coal plants and factory emissions, diesel generators, paddy burning in the fields, garbage burning in the cities instead of its disposal and treatment etc. have made air pollution a public emergency. As per WHO report of 1600 cities, Delhi has the world's dirtiest air. Last winter, Delhi recorded 400 micrograms per cubic meter of the larger PM10 particle, for which safer limit is 20 micrograms. The children are the worst affected, suffering from respiratory and other disorders, including cognition and memory. The other worst sufferers are elders, pregnant women and people suffering from respiratory troubles. The answer of this trouble is not in offing in the near future. The question before us, is where to go?

In this latest issue, we have included six research papers, one research article, one case study and one book review. **Hansini Premi and others** have gone through the concept of green marketing and its vast area to be covered in the future. The authors are concerned about even environmental pollution coming from industries and human activities. Green marketing has its own benefits and challenges and why it should be adopted by the consumers and business so that it can benefit all. It reminds us of Societal Concept of Marketing given by a renowned Management Guru Peter Drucker. **Dr. Rajul Bhardwaj** has tried to establish a relationship between retail brands and consumer store loyalty. Retail has gone under a remarkable change which is being reflected in terms of new categories of retail brands and consumer behaviour which is reflected by store loyalty. The author has also talked about the competitive retail environment where the three generic strategies of cost, focus and differentiation, have become bare necessities to survive in the business. **Jitendra Singh Chauhan and Harish Kumar** have studied the effects of branding on consumer behaviour in relation to the fashion industry. The authors are of the opinion that brand is a guarantee and an assurance of standards and quality of the products to the consumers. Brands are like human beings, born, fed and nurtured and have friendship with the consumers. **Ashu Arora Katyal** has talked about human resource management and leadership in the hospitality industry. There is only resource in the world i.e. human resource, it up to the organisations and nations, how

they are using them in their favour. The hospitality industry requires human resource with having multitasking and multi-skilling qualities in the dynamic world. It needs constant up-dation of human resource in each and every areas otherwise failure is obvious. Those, who change themselves in the need of the hour, they are called leaders. **Arpana Katiyar and Sakshi Bajpai** have analysed new paradigms of human resource development and challenges of current education system in India. The authors have tried to study from schooling to the level of professional classes. Education is the manifestation of excellence and to achieve this stage, the right measures are expected to be adopted. Otherwise Vision and Mission of the country are impossible to be achieved.

Dr. Parminder Bajaj and Sugandha Sharma have reviewed health insurance services in the different developed and developing countries in terms of cost and benefits. The authors viewed that the Indian health care industry is like half glass filled and half glass empty. It has to improve physical infrastructure and availability of trained medical personnel to tap the medical opportunities in the world.

Dr. Anshu Yadav and Pratibha Singh have gone through a case study of an Indian public sector enterprise where they have analysed the role of effective training practices in the emerging markets. They are of the opinion that well trained and developed staff is a valuable asset to the company because they contribute in the planning, production and in the delivering of satisfaction to the consumer. Training to the employees is not a debatable issue rather it has become a necessity in the organisations.

Kalpna Verma has visited a new research area like Folk Media and its role in the rural development. Since time immemorial, folk media had been used to convey social messages, rituals and festivals, traditions etc. by masses. Our traditions are alive because of folk culture, passed them from the one generation to the next generations. The author has visualised, how folk media can be used in reaching the rural masses even in the interiors of the country so that they can come to the mainstream.

Finally, **Prof. K V Murthy** has reviewed a book titled as Insight Selling, authored by Mike Schultz and John E. Doerr, published by: John Wiley & Sons, Year : 2014.

Sunil Shukla

With Seasoned Greetings,

Green Marketing: an Overview

Hansini Premi, M. Sharma, G.S. Dangayach
A. Bhardwaj and M.L. Meena



Hansini Premi, an MBA and a Research Scholar at MNIT, Jaipur, Rajasthan. She has authored several research papers in the National and International Journals.

ABSTRACT

In today's competitive world it has become a necessity and a challenge to sustain ones customers and to care for the environment as well. Consumers across the globe are becoming sentient towards environmental issues like global warming and acidification which has led companies across the globe to alter their strategies. Green Marketing has emerged as an important concept in this regard and the one that cannot be easily overlooked. This paper focuses on defining green marketing and its inevitability with special focus on the Indian Market.

Keywords: Competitive, Customer, Environment, Strategies, Green Marketing etc.

1. Introduction

The disastrous environmental pollution resulting from industrial manufacturing activities around the world is increasingly being noticed by the public and has become an issue of prime concern as it is resulting in global warming. To combat this issue the competitive environment friendly firms need to pay more attention towards going green, though not all firms have the capacity to implement these practices but if they do they should be able to integrate it at all levels. Polonsky (1994) defines green marketing as "consisting of all activities designed to generate and facilitate any exchanges intended to satisfy human needs, such that the satisfaction of these needs and wants occurs, with

minimal detrimental impact on the natural environment". The concept of green marketing' is the business practice that considers consumers concerns with regards to preservation and conservation of the natural environment (Coddington, 1993).

Positioning the products on the planks of societal initiatives is emerging as a mutually beneficial strategy for all industry verticals and consumers. Extensive empirical studies have revealed that using green strategies in different brand elements tend to improve an overall performance and enhance brand equity. On one hand the firm improve its identity and on the other hand the overall company's image escalates in consumer's perspective through these green initiatives. It is being observed that the consumer preference for green products is steadily rising but at the same time the clutter of identical initiatives in all product categories has created a distrust leading to post purchase dissonance and dwindling sales figures. Marketing is no longer about seducing people with empty promises; it is about engaging and educating them. Marketers should view green marketing as a creative opportunity, to innovate in ways that make a difference and at the same time achieve business success. From the green perspective, marketing offers a creative way to engage people, to promote greener lifestyle. From the business side, it offers a way to engage people for the firms and brands that are doing more than most with corporate responsibility.

2. Literature Review

According to Kangis (1992), green marketing must be more than either a green way of marketing, or the marketing of so-called green products. Green has to refer both to the method and to the product. This is why the very idea of green marketing needs considerable development and analysis, with rules and integrity in economic, scientific, academic and ethical terms. Charter (1992), has defined green marketing as a holistic and responsible strategic management process that

identifies, anticipates, satisfies and fulfils stakeholder needs, for a reasonable reward, that does not adversely affect human or natural environmental well-being. According to Pride and Ferrell (1993), Green marketing, as environmental marketing and sustainable marketing, refers to an organization's efforts at designing, promoting, pricing and distributing products that will not harm the environment. A green consumer can be identified to be the one who avoids any product which may harm/damage to any living organism, cause deterioration of the environment during process of manufacturing or during process of usage, consume a large amount of non-renewable energy, involves unethical testing on animals or human subjects etc. (Ellington, 1994).

According to Ottoman (1999) green marketing serves two key objectives as follows:

- To develop the products that incorporate consumers' needs for convenience, affordable pricing and performance while having a minimal impact on the environment.
- To project an image of high quality, including environmental aspects, both in regards to product attributes and the manufacturer's track record for environmental fulfilment.

Table no: 1 shows finding of eminent authors in the area

Author	Year	Findings
Peattie	1995	Since the society has become more worried about the environment, there are more customers with environmental beliefs who are more willing to purchase green products which have a less detrimental impact on the environment
Schrum et al.,	1995	Gradually, marketers realized that consumer concern for the environment and a concomitant desire for green products did not translate into purchasing behavior

Johri and Sahasakmontri	1998	During 1990s, the concern for environment increased and resulted in to increasing challenges for the companies
Peattie	2001	The evolution of green marketing has three phases. " Ecological green marketing, Environmental green marketing and sustainable green marketing "
Stafford	2003	that green marketing is now "making a comeback"
Jain and Kaur	2004	Prior literature posits that companies should undertake green marketing strategies to ?nd out customers' green needs, to launch green Products, to divide the green market into different segments, to target one or several segments, to formulate green positioning strategies, and to implement a green marketing mix program
Ottman et al.	2006	Once again, there is renewed sensitivity towards the environment and towards social consciousness.

of green marketing

(Table created the authors)

3. Benefits of Green Marketing

Green marketing has positive influences on multiple participants in the economy

- Environmental Benefits
- Developing Economies
- Consumer benefits
- Strategic benefits
- Product benefits
- Production Process Benefits
- Supply-chain Benefits

4. Green Marketing- Challenges

Although a large number of firms are practicing green marketing, it is not an easy job as there are a number of problems which need to be addressed while Implementing Green marketing. The major challenges

to Green marketing which have to be faced are:

- New Concept
- Cost Factor
- Convincing customers
- Sustainability
- Non Cooperation
- Avoiding Green Myopia

5. Reasons Why a Company Should Adopt Green Practices?

- Opportunities or competitive advantage.
- Corporate social responsibilities (CSR).
- Government pressure.
- Competitive pressure.
- Cost or profit issues.

6. Status of Green Marketing in India

The urban consumers are aware about the concept of green products and its benefits still they needs to be updated regarding the need of green products and the lurking threats of conventionally manufactured products. Thanks to our ancient knowledge and rich heritage of Ayurveda/herbal products, subconsciously the green product concept is not new for Indian customers. The mass movement of rural population to big cities is leading to rising consumption and demand for energy, increasing greenhouse emissions, and curtailment on critical natural resources such as land, water and oil. Despite India's strong policy framework and some successes, environmental degradation has not been arrested on a large scale. Hence like all other countries, India needs to find a way to strike a balance between economic and The Indian railways permitted its customers to carry PNR no of their e-tickets on their laptops and cell phones. Wipro InfoTech is one of the India's first companies to introduce environmental friendly computer peripherals which are RoHS (Restriction of hazardous substances) compliant thus reducing e-waste. Social development and ensure energy and environment sustainability.

Indian companies are adopting green to keep hold of their image in the market. The companies are Convoluting in various activities to show their apprehension for environment and society, but at the same time it is essential for the companies to understand the concept of green marketing and should not fail to notice the economic aspect of it. Green marketing helps in the effective outcomes likecost cutting, employee satisfaction, waste minimization, society welfare for the companies as well for the society the only thing required is the grit and devotion from the all the stakeholders of the companies. Marketers also have the responsibility to make the consumers understand the want for and advantages of green products as compared to non-green ones and the benefits they can reap in the future. Finally, consumers, industrial buyers and suppliers need to promote the positive effects of Green marketing on the environment. Green marketing has much more importance and significance in developing countries of the world like India which should be path breaking and trendsetters for all others to follow. In order to craft this dream of a Green Prosperous India 'come true, country will have to rely on its most precious asset, its youth. Global issues are not solved within the four walls of a scientist's laboratory. They need to be brought to the knowledge of a common individual. Many of the best ideas come from young and fertile minds.

Table No. 2

SL. No.	Company	Green Marketing Initiative
1.	Philips India	Energy saving Lights. Medical Equipment's. House hold appliances
2.	Mahindra Reva	Electric Vehicle-"e2o". Earth friendly small tractor designed to the farmers.
3.	Cafe coffee day	Use of LED Lights
4.	Hewlett-Packard Company	Energy-efficient products and services and institute energy-efficient operating practices in its facilities worldwide.
5.	MacDonald Restaurant	McDonald restaurant's napkins, bags are made of recycled paper

Shows some prominent examples of green marketing

7. Conclusion and Future Research

Green marketing is not going to be a cake walk or an easy notion to understand. The firms will have to carry out research to find out how viable it is going to be. Green marketing is still at its preliminary stage. Adaptation of Green marketing may not be easy in the short run, but in the long run it will definitely have a constructive and productive influence on the firm. Lots of opportunities are available in the Indian market. Customers are willing to pay premium price for green products. This renovation in consumer's behaviour is compelling corporate to think about the detrimental impact of their activities on the natural environment of the world. The speedy increase for the environment concern in last two decades is stressing companies to provide evidence of the change to make certain of the sustainable growth of the society. Green marketing should not be considered as just one more approach to marketing, instead should be pursued with greater verve as it has societal and environmental dimensions.

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The Relationships between Retail Brands and Consumer Store Loyalty

Dr. Rajul Bhardwaj



Dr. Rajul Bhardwaj, is an Assistant Professor with Faculty of Management Studies, Gurukula Kangri Vishwavidyalya, Haridwar, India, where he teaches Human Resource, Marketing and General Management. He has written and contributed to various National and International Journals. His various articles are published at his own blog i.e. rajulbhardwaj.blogspot.com, www.indianmba.com, www.careerorissa.com, www.oppapers.com & www.scribd.com and as well as in National and International Conference souvenirs. He is a multidisciplinary academician with degrees in computers, Mathematics, Management and Retailing. Dr. Bharadwaj has authored four books on "Role Models in Management", "Research Methodology", "Human Resource Management" and "Organisational Behaviour". His current area of interest is finding innovative research methods to conduct different type of researches.

ABSTRACT

Retail consists of the sale of physical goods or merchandise from a fixed location, such as a department store, boutique or kiosk, or by mail, in small or individual lots for direct consumption by the purchaser. Retailing may include subordinated services, such as delivery. Purchasers may be individuals or businesses. In commerce, a "retailer" buys goods or products in large quantities from manufacturers or importers, either directly or through a wholesaler, and then sells smaller quantities to the end-user. Retail establishments are often called shops or stores. Retailers are at the end of the supply chain. Manufacturing marketers see the process of retailing as a necessary part of their overall distribution strategy. The term "retailer" is also applied where a service provider services the needs of a large number of individuals, such as a public utility, like electric power.

The study is conducted to know the growing popularity of the retail brands in India. Due to a spurt of multi-brand outlets, consumers have a lot of choice in-terms of brands. And also retailers have started their own private label brands to compete with the manufacturer brands. This study would reveal the reasons for the consumers preferring the retail brands and their perception regarding the same.

Keywords: Retail, Retail Brands, Consumer Store Loyalty, Multi Brand Outlets, Private Label Brands, Manufacturer Brands etc.

1. Introduction

1.1 Introduction to the Industry

1.1.1 Retailing

Retail consists of the sale of physical goods or merchandise from a fixed location, such as a department store, boutique or kiosk, or by mail, in small or individual lots for direct consumption by the purchaser. Retailing may include subordinated services, such as delivery. Purchasers may be individuals or businesses. In commerce, a "retailer" buys goods or products in large quantities from manufacturers or importers, either directly or through a wholesaler, and then sells smaller quantities to the end-user. Retail establishments are often called shops or stores. Retailers are at the end of the supply chain. Manufacturing marketers see the process of retailing as a necessary part of their overall distribution strategy. The term "retailer" is also applied where a service provider services the needs of a large number of individuals, such as a public utility, like electric power.

1.1.2 Indian Retail Industry

Retailing is one of the pillars of the economy in India and accounts for 13% of GDP. The retail industry is divided into organized and unorganized sectors. Over 12 million outlets operate in the country and only 4% of them being larger than 500 sq. ft. (46 m²) in size. Organized retailing refers to trading activities undertaken by licensed retailers, that is, those who are registered for sales tax, income tax, etc. These include the corporate-backed hypermarkets and retail chains, and also the privately owned large retail businesses. Unorganized retailing, on the other hand, refers to the traditional formats of low-cost retailing, for example, the local kirana shops, owner manned general stores, paan / beedi shops, convenience stores, hand cart and pavement vendors, etc.

Most Indian shopping takes place in open markets and millions of independent grocery shops called kirana. Organized retail such supermarkets accounts for just

4 percent of the market as of 2008. Regulations prevent most foreign investment in retailing. Moreover, over thirty regulations such as "signboard licenses" and "anti-hoarding measures" may have to be complied before a store can open doors. There are taxes for moving goods to states, from states, and even within states.

The total concept and idea of shopping has undergone an attention drawing change in terms of format and consumer buying behavior, ushering in a revolution in shopping in India. Modern retailing has entered into the Retail market in India as is observed in the form of bustling shopping centers, multi-storied malls and the huge complexes that offer shopping, entertainment and food all under one roof.

A large young working population with median age of 24 years, nuclear families in urban areas, along with increasing workingwomen population and emerging opportunities in the services sector are going to be the key factors in the growth of the organized Retail sector in India. The growth pattern in organized retailing and in the consumption made by the Indian population will follow a rising graph helping the newer businessmen to enter the India Retail Industry.

In India the vast middle class and its almost untapped retail industry are the key attractive forces for global retail giants wanting to enter into newer markets, which in turn will help the India Retail Industry to grow faster. Indian retail is expected to grow 25 per cent annually. Modern retail in India could be worth US\$ 175-200 billion by 2016. The Food Retail Industry in India dominates the shopping basket. The Mobile phone Retail Industry in India is already a US\$ 16.7 billion business, growing at over 20 per cent per year. The future of the India Retail Industry looks promising with the growing of the market, with the government policies becoming more favorable and the emerging technologies facilitating operations.

India has been ranked as the fourth most attractive nation

for retail investment among 30 emerging markets by the US-based global management consulting firm, A T Kearney, in its Global Retail Development Index (GRDI) 2011.

1.1.3 Retail in India: Market Dynamics

The Rs 18,673 billion (US\$ 401 billion) Indian retail market entails only 6 per cent of itself as organized retail segment as of 2010, according to Booz and Co (India) Pvt. Ltd. Hence, there is a great potential to be explored by domestic and international players.

The Business Monitor International (BMI) India Retail Report for the fourth-quarter of 2011 forecasts that the total retail sales will grow from US\$ 411.28 billion in 2011 to US\$ 804.06 billion by 2015. The report has underlined factors like economic growth, population expansion, increasing wealth of individuals and rapid construction of organized retail infrastructure as major drivers for the optimistic forecast figures.

According to a research report named 'Retail Sector in India' by Research and Markets, Indian retail sector accounts for 22 per cent of the country's gross domestic product (GDP) and contributes to 8 per cent of the total employment. The report further highlighted that hypermarkets (currently accounting for 14 per cent of mall space) will witness immense progress in the Indian landscape.

1.1.4 Major Indian Retailers

- **REI AGRO LTD Retail:** 6TEN and 6TEN kirana stores
- **Future Groups-Formats:** Big Bazaar, Food Bazaar, Pantaloons, Central, Fashion Station, Brand Factory, Depot, aLL, E-Zone etc.
- **Raymond Ltd.:** Textiles, The Raymond Shop, Park Avenue, Park Avenue Woman, Parx, Colourplus, Neck Ties & More, Shirts & More etc.
- **Fabindia:** Textiles, Home furnishings, handloom apparel, jewellery
- **RPG Retail-Formats:** Music World, Books &

Beyond, Spencer's Hyper, Spencer's Super, Daily & Fresh

- **The Tata Group-Formats:** Westside, Star India Bazaar, Steeljunction, Landmark, Titan Industries with World of Titans showrooms, Tanishq outlets, Croma.
- **Reliance Retail-Formats:** Reliance MART, Reliance SUPER, Reliance FRESH, Reliance Footprint, Reliance Living, Reliance Digital, Reliance Jewellery, Reliance Trends, Reliance AutoZone, iStore
- **Reliance ADAG Retail-Format:** Reliance World
- **K Raheja Corp Group-Formats:** Shoppers Stop, Crossword, Hyper City, Inorbit Mall
- **Nilgiri's-Formats:** Nilgiris' supermarket chain
- **Marks & Spencer:** Clothing, lifestyle products, etc.
- **Lifestyle International-Lifestyle,** Home Centre, Max, Fun City and International Franchise brand stores.
- **Pyramid Retail-Formats:** Pyramid Megastore, TruMart
- **Next retail India Ltd (Consumer Electronics)**
- **Vivek Limited Retail Formats:** Viveks, Jainsons, Viveks Service Centre, Viveks Safe Deposit Lockers
- **PGC Retail -T-Mart India, Switcher , Respect India , Grand India Bazaar ,etc.,**
- **Subhiksha-Formats:** Subhiksha supermarket pharmacy and telecom discount chain.
- **Trinethra- Formats:** Fabmall supermarket chain and Fabcity hypermarket chain
- **Vishal Retail Group-Formats:** Vishal Mega Mart
- **BPCL-Formats:** In & Out
- **German Metro Cash & Carry**
- **Shoprite Holdings-Formats:** Shoprite Hyper
- **Paritala stores bazar:** honey shine stores
- **Aditya Birla Group - "More" Outlets**
- **Kapas- Cotton garment outlets**

1.1.5 Retail Brands

Retail brands are a line of products sold by a retailer under a single marketing identity. Retail branding has developed to such an extent that, today, retailers are

perceived as being brands in themselves rather than as distributors of manufacturer brands. Many retailers have developed such a strong consumer franchise that customers are more loyal to the retailer than they are to the manufacturer's brand.

This shift is mainly due to the extensive development of own brands and a more marketing-orientated approach to retailing. Retailers have been rewarded for their focus on customer needs and aspirations by increased levels of trust from the customers.

As markets evolve and become more competitive, it will become more important for retailers to focus on branding. Retail branding does not necessarily focus only on the creation of private label. In the case of multi-brand retailers, the task becomes more difficult as the retailer needs to create a store identity which is different from that of brands that he sells within the store, but at the same time, there has to be a level of consistency among the products available.

In the competitive retail environment, the three generic strategies of cost, focus and differentiation, have become bare necessities to survive in business. The customer is looking at experiences that a company can provide while delivering the solution to the customer. A brand depicts and portrays the total experience a customer has with the product or service. There is a thin line between losing a customer and retaining him. Customer memory is short for good experiences, but a negative experience will stay with him forever. A single experience can decimate the whole relationship with the customer. It is the interaction point where the personality of the brand is reflected and it has to live up to the expectations that the company builds for the brand. It is the branding that pulls in the customer, but the delivery proposition and experiences retain him.

1.2 Introduction

Objectives :

1.2.1 Rationale of Proposed Investigation:

The study is conducted to know the growing popularity

of the retail brands in India. Due to a spurt of multi-brand outlets, consumers have a lot of choice in-terms of brands. And also retailers have started their own private label brands to compete with the manufacturer brands. This study would reveal the reasons for the consumers preferring the retail brands and their perception regarding the same.

1.2.2 Significance of the Study

The study would reveal the consumer's attitude towards the private label brands and their purchasing pattern towards the same. The study is important for the retailers to develop their marketing strategies according to the consumer's attitude and needs.

2. Literature Review

In the work '**Exploring the relationships between retail brands and consumer store loyalty**', **Anne-Sophie Binninger** says that an increase in Retail Brand satisfaction and loyalty influences store loyalty, and that attitude toward Retail Brand products has a moderating effect on the relationships between Retail Brand satisfaction and loyalty. They also show that this moderating influence is greater for an identifiable retail brand than for an unidentifiable retail brand.

In the paper "**Understanding competition between retailers and manufacturers: an integrated analysis of store brand and national brand deal usage**" (**Ailawadi, Kusum L., Gedenk Karen and Neslin Scott A. 2003**), it was examined how consumers' perceptions drive their usage of store brands and deals for national brands. It was found that both behaviors are influenced by economic as well as hedonic factors. Among hedonic factors, peer approval plays an important role in determining both behaviors. Among economic factors, the most important driver of store brand usage is perceived quality, and the most important driver of national brand deal usage is perceived savings. It was also observed that a negative intrinsic relationship exists between store brand and national brand deal usage.

Overall, the results suggested a competitive advantage for store brands. Store brands can attract many consumers by increasing their perceived quality. Manufacturers would then have a hard time attracting back these consumers even if they increase deal savings.

According to **Justin Beneke** private label brands can be positioned as premium quality products with price levels ranging from marginally below to above prices of category-leading manufacturer brands. Demographic variables were largely ineffective in determining an individual's propensity to buy private label brands. However, income was found to be the most prominent of all variables, revealing a direct relationship between income and affinity towards private label brands, although presumably premium private label options.

Corstjens and Lal (2000) also show analytically that the ability to engender store loyalty can make private labels profitable for retailers even if they do not have a cost advantage.

Jain and Dick (1996) find that consumers' ratings of private labels are higher when store image is favorable although their ratings of manufacturer brands are not affected by store image. A retailer's brand equity is exhibited in consumers responding more favorably to its marketing actions than they do to competing retailers (Keller 2003). The image of the retailer in the minds of consumers is the basis of this brand equity.

Private label Brands (PLB) buying increases as the **"consequences of making a purchasing mistake" declines (Batra Rajeev, Sinha Inrdajit, 2000)**. Also, consumers buy fewer PLBs if a category's benefit requires actual trial/experience instead of searching through package label information.

The quality of manufacturer brands positively influences consumers' image of the retailer. In turn, strong retailer image spills over to improve ratings of private label products. **Jacoby and Mazursky (1984)** find that carrying strong brands can improve the image of a

retailer although strong retailer image cannot improve the image of a weak brand.

YU Chunling, ZHAO Ping, Mike BASTIN In their paper **Understanding Retailer Branding: From the Perspective of Consumers' Shopping Value** says that retailers are obviously in an ideal position to create experiences for their customers. These experiences may involve their own private labels, manufacturer brands, or not be tied to a specific product but the store as a whole. Also, following the trend of brand extending, retailers not only need to consider developing their own brands but then need to extend these brands with sub-brands, creating their own brand architecture.

Nair Lakshmi (2011) in her study on private labels brands in food & grocery: **the changing perceptions of consumers & retailers in India- a study in the pune region** has concluded that understanding customers in terms of what they expect/associate with a private label brands vis-à-vis national brands is quite important from the view point of making these brands acceptable in the market. The study clearly brings forth the importance of pricing as an attribute in influencing customers' acceptance of private label brands. A difference in pricing is desired and companies need to fine tune and concentrate more on their supply chain and logistics to bring down costs associated with various products which they can pass on to customers in the form of reduced prices in turn leading to increase in customer satisfaction and acceptance of private label brands. Thus, in conclusion it can be said that if private label manufacturers can consistently provide value to customers on factors rated high by customers and even if it is low on status symbol, there is a high possibility for them to establish these brands as acceptable in the minds of customers and to improve customers' perception regarding the same. Though this perception may not be as high as a branded product enjoys but it could still become high enough for retailers to increase the sales of these

brands and thereby raise their profit margin considerably. The study **Perception of Private Label Brand image: A comparison between three different nationality consumer groups** (Mbaye-fall Diallo) shows that an array of statements is highly associated with private label brands image including convenience, youth, economy, reason and simplicity. Some of these items (i.e. convenience and reason) were previously associated with national brands. This result shows that consumers are now aware that private label brands are improving their quality. In addressing the question whether consumers from different cultures but living in the same context perceive differently private label brands image, the findings of the study suggest that there are much more similarities than differences of private label brands image perceptions.

According to **Ambler (1997)** branding offers benefits and these can be deduced from the way marketplaces work. For instance, if a particular brand is constantly being selected by consumers, it just means that they are supportive of it.

Branding and brand-based differentiation are powerful means for creating and sustaining competitive advantage. Prior research has examined differences in how consumers perceive and evaluate brands, for example, through investigating brand equity (**Keller 1993; McQueen, Foley, and Deighton 1993**), brand personality (**Aaker 1997; Plummer 1985**) and brand extensions (**Aaker and Keller 1990; Nakamoto, MacInnis, and Jung 1993**). More recently, researchers have noted that consumers differ not only in how they perceive brands but also in how they relate to brands (**Fournier 1998; Muniz and O'Guinn 2001**).

A recent paper in the strategy journal published by the consulting firm Booz-Allen and Hamilton argues that some consumers, termed "brand zealots," experience a relationship that goes well beyond the fulfillment of a functional need (**Rozanski, Baum, and Wolfson 1999**).

These brand zealots animate the brand giving it quasi-human qualities and relate to it in a way similar to how they relate to human beings.

The role of advertisement changes unto what the organization wants the consumers to do. Still, the economists views that the advertising plays a significant effect on the consumer behavior. And in a long process, the advertising can lead the organization to competition.

In this view, the level of advertising affects the consumer who is the focus of the organization (**Park, 1996**).

Nepalia Rishi says that "Brand management is the application of marketing techniques to a specific product, product line, or brand. It seeks to increase the product's perceived value to the customer and thereby increase brand franchise and brand equity. Marketers see a brand as an implied promise that the level of quality people have come to expect from a brand will continue with future purchases of the same product. This may increase sales by making a comparison with competing products more favorable" In his research paper "brand management and its impact on consumer buying behavior".

3: Research Methods and Procedures

3.1 Research Objectives

- 1) To find out the reasons for the purchase of private label brands.
- 2) To study the factors affecting the purchase behavior of a consumer towards private label brands.
- 3) A comparative study of the consumer's perception towards private label brands and manufacturer brands.

3.2 Research Type

This is an applied research because it accesses and uses some part of the research communities' accumulated theories, knowledge, methods, and techniques.

3.3 Research Design

For the purpose of this research paper, the following types of research have been conducted:

Descriptive research: This is mainly used to describe in detail the elements in the population.

Data acquiring method is based on observation as well. Therefore it is exemplifying observational research.

Primary research has also been conducted. The researcher has gone on the field to various retail stores in order to collect data from the target sample.

3.4 Sampling Frame, Sample Size and Sampling Technique

Sampling Frame: Comprised of all those who shop at the multi-brand retail stores which offer both private brands along with the manufacturer brands. Also, the sample has comprised of people belonging to all the age groups so that the researcher studied the effect of age on the purchase behavior.

Sample Size: 100

Sampling Design: Simple Random Sampling without Replacement at Defined Sources.

3.5 Data Acquisition Procedure

Primary research has been conducted by the researcher. For descriptive research, a questionnaire has been prepared which consists of questions reflecting the consumer purchase behavior and their preferences (private brands vs. manufacturer brands).

For the purpose of observational research, a simple observation of the shopping cart and the consumer brand choices have been undertaken. The place of study was Delhi and nearby areas means NCR region. The various multi-brand outlets chosen are:

- Big Bazaar
- Vishal Megamart
- Shopper's Stop
- Pantaloons

The study included the purchasing pattern of both accessories and non-accessories.

3.6 Instruments Used

The instrument that was used for this research paper was a structured questionnaire containing majorly of close ended questions.

This instrument was chosen because it has covered all the

aspects of the paper objectives chosen by the researcher. Since the objective is to study the factors affecting the purchase behavior, a properly designed and structured questionnaire have served the purpose and aid in applying various tests and comparing the results to gather useful information.

The questionnaire consist of questions regarding:

- The effect of age, income, occupation and education on the purchase behavior of consumers.
- The effect of the difference in the price between the manufacturer brand and the private brand.
- The quality differences between the manufacturer brand and the private brand.
- The availability of the products on shelf affecting the purchase.
- The promotional efforts of the private brands.

Scales Employed :

- Ordinal scale
- Nominal Scale
- Likert Scale
- Interval scale

3.7 Data Analysis Methods

The collected data was put into the SPSS software and MS Excel for further analysis. Various statistical tools have been used to extract meaningful information from the collected data as:

Crosstabs applied to find out the link between the various factors and the consumer purchase behavior. This has given us an idea about the various reasons and factors which instigate consumers to buy private label brands.

Chi Square : to test the reliability of the crosstabs results.

Factor Analysis: to obtain the factors and reasons based on the research objectives.

Graphical techniques: various charts and graphs have been used to perform the comparative study and fulfilling the objectives.

4. Data Analysis and Findings

Analysis of data is a process of inspecting, cleaning, transforming, and modeling data with the goal of highlighting useful information, suggesting conclusions, and supporting decision making.

4.1 Review of the Methodology

Structured Questionnaire (see appendix) has been used for data collection at the various retail stores. The researcher explained the purpose of the collection and also assisted in filling up the questionnaire. The researcher also observed the buying pattern of the various consumers in these stores.

4.2 Result of the Research Questions

4.2.1 Objective 1:

To find out the reasons for the purchase of private label brands.

To fulfill this objective and study the data collected, factor analysis is used.

Data of the Question 4 of the questionnaire was the input for the same. The SPSS output of the same is given below:

Table 1

Communalities table of the reasons for purchase

COMMUNALITIES		
	Initial	Extraction
Lowercost	1.000	.618
availability	1.000	.655
Promotional offers	1.000	.558
convenience	1.000	.979
other	1.000	.701
Extraction Method: Principal Component Analysis.		

Communalities indicate the amount of variance in each variable that is accounted for.

Extraction communalities are estimates of the variance in each variable accounted for by the components. The communalities in this table are all average to high, which indicates that the extracted components represent the variables pretty well.

Table 2

Total Variance Table of the Reasons For Purchase

Component	Total Variance Explained								
	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.403	49.856	49.856	2.403	49.856	49.856	2.478	49.566	49.566
2	1.019	20.377	70.233	1.019	20.377	70.233	1.033	20.697	70.233
3	.857	13.135	83.368						
4	.431	8.614	91.981						
5	.401	8.019	100.000						
Extraction Method: Principal Component Analysis.									

The variance explained by the initial solution, extracted components, and rotated components is displayed

The Total column gives the eigen value, or amount of variance in the original variables accounted for by each component. The % of Variance column gives the ratio, expressed as a percentage, of the variance accounted for by each component to the total variance in all of the variables. The Cumulative % column gives the percentage of variance accounted for by the first n components.

The second section of the table shows the extracted components. They explain nearly 70 per cent of the variability in the original five variables, so we can considerably reduce the complexity of the data set by using these components, with only a 30 per cent loss of information.

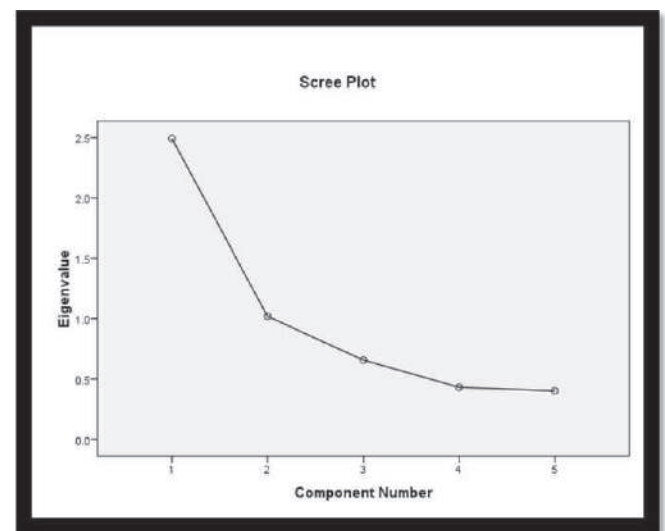


Figure1: Screen plot of the Eigen Values and the Components

The screen plot helps us to determine the optimal number

of components. The eigen value of each component in the initial solution is plotted. We extract the components on the steep slope. The two factors extracted in the previous step are represented by this steep line.

Table 3

Rotated Component Matrix Table of the Reasons for Purchase

Rotated Component Matrix ^a		
	Component	
	1	2
Lowercost	.785	-.035
availability	.801	.116
Promotional offers	.738	-.115
convenience	.030	.989
other	-.821	-.165
Extraction Method: Principal Component Analysis.		
Rotation Method: Varimax with Kaiser Normalization.		
a. Rotation converged in 3 iterations.		

The rotated component matrix helps us to determine what the components represent. The first component is most highly correlated with lower cost, availability and promotional offers whereas the second component is correlated with the convenience.

Hence we can name the first factor collectively as "Reasonable offerings" and the second factor as "Convenience".

Hence we can conclude that the major reasons for the purchase of private label brands are

- 1) Reasonable Offerings
- 2) Convenience

4.2.2 Objective 2:

To study the factors affecting the purchase behavior of a consumer towards private label brands and the stores.

To fulfill this objective and study the data collected, factor analysis is used. Data of the Question 8 of the questionnaire was the input for the same. The SPSS output of the same is given below :

Table 4

Communalities Table of the Factors Affecting the Purchase of Private Label Brands.

Communalities		
	Initial	Extraction
convenience	1.000	.855
Store ambience	1.000	.602
Offers available	1.000	.667
Loyalty programs	1.000	.699
Product availability	1.000	.767
Price offered	1.000	.844
Quality of the product	1.000	.632
Variety available	1.000	.706
Friendliness of the staff	1.000	.576
Store layout	1.000	.542
Ease of billing	1.000	.670
Extraction Method: Principal Component Analysis.		

Communalities indicate the amount of variance in each variable that is accounted for. Extraction communalities are estimates of the variance in each variable accounted for by the components. The communalities in this table are all high, which indicates that the extracted components represent the variables well.

Table 5

Total Variance Table of The Factors Affecting the Purchase of Private Label Brands

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.683	15.300	15.300	1.683	15.300	15.300	1.335	12.141	12.141
2	1.415	12.864	28.166	1.415	12.864	28.166	1.277	11.613	23.754
3	1.295	11.768	39.933	1.295	11.768	39.933	1.277	11.607	35.361
4	1.103	10.023	49.956	1.103	10.023	49.956	1.275	11.588	46.949
5	1.050	9.541	59.497	1.050	9.541	59.497	1.212	11.017	57.966
6	1.013	9.211	68.708	1.013	9.211	68.708	1.182	10.742	68.709
7	.920	8.362	77.071						
8	.828	7.528	84.598						
9	.689	6.235	90.833						
10	.542	4.920	95.759						
11	.457	4.241	100.000						
Extraction Method: Principal Component Analysis.									

The variance explained by the initial solution, extracted components, and rotated components is displayed. The Total column gives the eigenvalue, or amount of variance in the original variables accounted for by each component. The % of Variance column gives the ratio, expressed as a percentage, of the variance accounted for by each component to the total variance in all of the variables. The Cumulative % column gives the percentage of variance accounted for by the first n components.

The second section of the table shows the extracted components. They explain nearly 69% of the variability in the original eleven variables, so we can considerably reduce the complexity of the data set by using these components, with only a 31% loss of information.

Table 6

Rotated Component Matrix Table of the Factors Affecting the Purchase of Private Label Brands

Rotated Component Matrix ^a						
	Component					
	1	2	3	4	5	6
convenience	-.034	.038	.060	.064	.910	-.127
Store ambience	.182	-.122	.700	.154	-.182	-.082
Offers available	-.200	.116	.734	-.130	.226	.081
Loyalty programs	.495	.353	.404	-.350	-.173	.083
Product availability	.013	-.018	-.070	.841	.078	.219
Price offered	-.030	.036	.036	.064	-.078	.911
Quality of the product	.793	-.017	.016	-.014	.006	-.053
Variety available	-.162	-.800	.038	-.127	.022	.108
Friendliness of the staff	-.071	.070	.138	.602	-.017	-.429
Store layout	-.322	.625	.044	-.128	-.037	.166
Ease of billing	-.501	.251	.229	-.040	-.505	-.204
Extraction Method: Principal Component Analysis.						
Rotation Method: Varimax with Kaiser Normalization.						
a. Rotation converged in 11 iterations.						

Factor 1

shows loadings on Loyalty programs and quality of the product. Therefore we can name this factor as quality.

Factor 2

shows loading on store layout and hence can be named so.

Factor 3

shows loadings on store ambience and offers available. Therefore this factor can be named as offers.

Factor 4

shows a high loading on product availability and hence can be named the same.

Factor 5

shows a high loading on convenience and hence can be labeled so and

factor 6

shows a loading on prices offered and therefore is named the same.

So the factors affecting the purchase behavior of a consumer towards private label brands and the stores are-

- 1) Prices offered
- 2) Convenience
- 3) Product availability
- 4) Quality
- 5) Store layout
- 6) Offers available

4.2.3 Objective 3:

A comparative study of the consumer's perception towards private label brands and manufacturer brands.

For the purpose of the achievement of this object, the researcher would consider constructing various graphical results.

- 1) To Find out the Percentage of the People in the Total Sample who prefer Buying the Private Label Brands

Table 7

Frequency Table For The Purchase Of The Private Label Brands

frequency_prchs					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Always	13	13.0	13.0	13.0
	Sometimes	53	53.0	53.0	66.0
	Never	24	24.0	24.0	90.0
	Depends on the non-availability of other brands	10	10.0	10.0	100.0
	Total	100	100.0	100.0	

PERCENTAGE OF PEOPLE WHO PREFER PURCHASING PRIVATE LABEL BRANDS

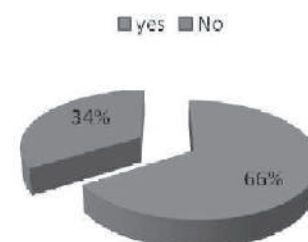


Figure 2: Graph showing the percentage of people who prefer purchasing private label brands

From the above table and pie chart, it is evident that 66% of the total sample of 100 prefers buying private label brands. This could be due to the reasons and factors mentioned in the previous two objectives.

2) To Find out whether the Quality of the Manufacturer Brand is Better than the Private Label Brands

Table 8

Frequency Table Depicting the Number of the People Who Think Manufacturer Brand is Better than Private Label Brands

better_quality_than_manuf					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	20	20.0	20.0	20.0
	No	80	80.0	80.0	100.0
	Total	100	100.0	100.0	

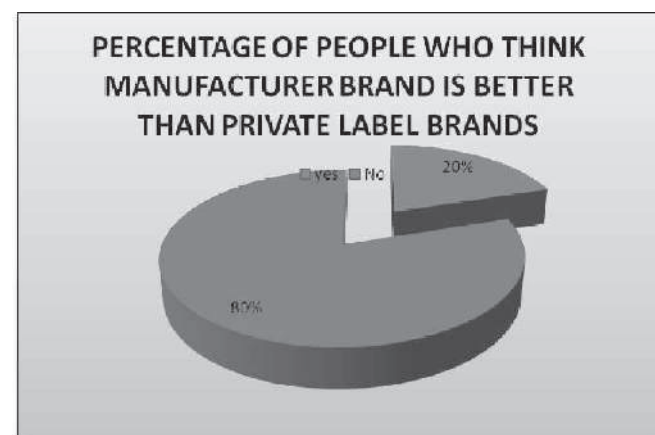


Figure 3: Graph showing the percentage of people who think manufacturer brand is better than private label brands

Looking at the above frequency table and the pie chart, it is clear that 80% of the total sample does not think that private label brands are better than the manufacturer brands. Manufacturer brands are still perceived to be of higher quality.

3) To Find out the Percentage of People who Prefer Private Label over Manufacturer Brands

Table 9

Frequency Table Depicting the Number of the People Who Prefer Private Label Brands

prefer_pvt_lbi					
	privat	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	50	50.0	50.0	50.0
	No	50	50.0	50.0	100.0
	Total	100	100.0	100.0	



As is evident from the above graph, half of the total sample prefers private label brands over manufacturer brands. So there is no clear cut evidence from the above result as to which is more preferred.

4) To Find out whether the Purchasers of the Private Label Brands recommend the same to others.

Table 10

Frequency Table depicting the number of the People Recommending Private Label Brands

Figure 5: Graph showing the percentage of people who recommend private label brands to others.

recommend					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	64	64.0	64.0	64.0
	No	36	36.0	36.0	100.0
	Total	100	100.0	100.0	



64 Percent of the total sample who purchase private label brands also recommend it to their friends and family.

5. To Find out the Satisfaction Level of the consumers towards the Private Label Brands and the Stores.

Table 11

Frequency Table Depicting the Number of the People Satisfied with Private Label Brands

satisfied with store					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very satisfied	8	8.0	8.0	8.0
	satisfied	78	78.0	78.0	86.0
	neutral	13	13.0	13.0	99.0
	very dissatisfied	1	1.0	1.0	100.0
	Total	100	100.0	100.0	

SATISFACTION LEVEL OF THE CONSUMERS TOWARDS THE STORE



Figure 6: Graph showing the satisfaction level of the consumers towards the store

78 people out of 100 are satisfied with the multi-brand retail store and 8 are highly satisfied. 13 show a neutral behavior whereas only 1 is highly dissatisfied. This shows that overall most of the people who visit the stores are satisfied with the kind of products and the services provided by the same.

satisfied with store brand					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very satisfied	14	14.0	14.0	14.0
	satisfied	53	53.0	53.0	67.0
	neutral	32	32.0	32.0	99.0
	dissatisfied	1	1.0	1.0	100.0
	Total	100	100.0	100.0	

SATISFACTION LEVEL OF THE CONSUMERS TOWARDS THE PRIVATE LABEL BRANDS

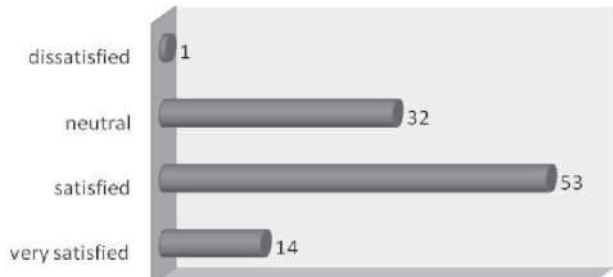


Figure 7: Graph showing the satisfaction level of the consumers towards the private label brands

From the above table and chart, we observe that 53 out of 100 is satisfied with the private label brand that they purchase and 14 are highly satisfied. 32 of them show a neutral attitude whereas only 1 of them is highly dissatisfied. Overall the people are satisfied with the private label brands that they purchase.

4.2.4 Effect of Age, Occupation and Annual Income on the Purchase Behaviour of Consumers

Table 13

Cross-Tabulation Between Age And Purchase

Age * purchase Crosstabulation				
Count				
		purchase		Total
		yes	No	
age	15-25	7	6	13
	25-35	20	10	30
	35-45	23	4	27
	45-55	11	10	21
	above 55	5	4	9
Total		66	34	100

The cross tabulation table shows the response of each age group. There is some amount of variation in the collected data.

Table 14
Chi-Square Test of Cross-Tabulation between Age and Purchase

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	7.464 ^a	4	.113
Likelihood Ratio	7.989	4	.092
Linear-by-Linear Association	.103	1	.749
N of Valid Cases	100		
a. 2 cells (20.0%) have expected count less than 5. The minimum expected count is 3.06.			

The chi-square test measures the discrepancy between the observed cell counts and what you would expect if the rows and columns were unrelated.

The two-sided asymptotic significance of the chi-square statistic is greater than 0.05, so it's safe to say that the differences are due to chance variation, which implies that each age group shows a similar purchase behavior towards the private labels.

AGE * PURCHASE CROSSTAB

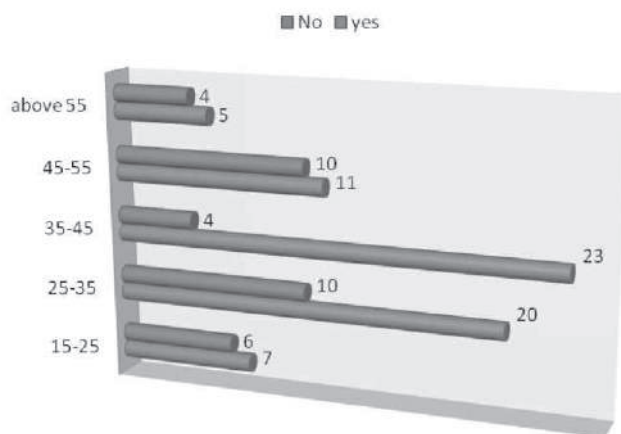


Figure 8: Graph showing the cross tabulation of the age and purchase behavior

From the above table we can see that people belonging to an age group of 35-45 are the ones who purchase the private label brands maximum. However there is no significant differences in the overall responses.

Table 15
Cross-Tabulation between Occupation and Purchase

Occupation * purchase Crosstabulation				
Count				
		Purchase		Total
		yes	No	
Occupation	student	7	6	13
	service	37	14	51
	business	11	6	17
	retired	3	3	6
	self-employed	8	5	13
Total		66	34	100

Table 16
Chi-Square Test of Cross-Tabulation between Occupation and Purchase

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.643 ^a	4	.619
Likelihood Ratio	2.602	4	.626
Linear-by-Linear Association	.166	1	.684
N of Valid Cases	100		
a. 4 cells (40.0%) have expected count less than 5. The minimum expected count is 2.04.			

The chi square of his test is also greater than 0.05, so it's safe to say that the differences are due to chance variation, which implies that each occupation group shows a similar purchase behavior towards the private labels.

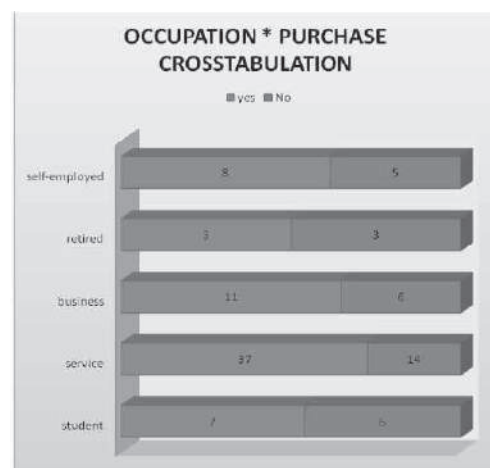


Figure 9: Graph showing the cross tabulation between the occupation and the purchase behavior,

Looking at the above table and the bar graph, we can interpret that private label brands are mostly purchased by people who are in the service.

Table 17

Cross-Tabulation between Annual Income and Purchase

Annual_income * purchase Crosstabulation				
Count				
		purchase		Total
		yes	No	
Annual_salary	1 lac-3 lac	6	1	7
	3 lac-5 lac	42	12	54
	5 lac-10-lac	6	5	11
	above 10 lacs	12	16	28
Total		66	34	100

Table 18

Chi-Square Test of Cross-Tabulation between Annual Income and Purchase

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	11.877 ^a	3	.008
Likelihood Ratio	11.856	3	.008
Linear-by-Linear Association	11.422	1	.001
N of Valid Cases	100		

a. 3 cells (37.5%) have expected count less than 5. The minimum expected count is 2.38.

Looking at the above table, the value of the chi square is 0.008 which is less than 0.05. hence we can say that annual salary does affect the consumer preference towards the private label brands. People belonging to the annual income range of 3lac to 5 lac prefer private label brands the most as is evident from the bar graph given below.

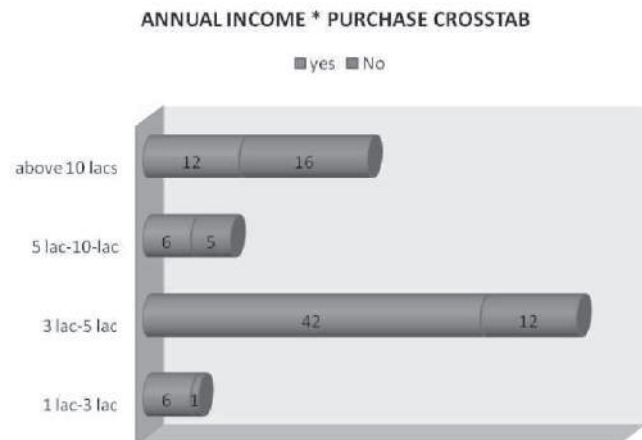


Figure 9: Graph showing the cross tabulation between the annual income and the purchase behavior

Looking at the above graph, we can conclude that people belonging to the income range of 3lac to 5 lac are the ones who purchase the private label brands the most.

5 : Conclusions and Recommendations

5.1 Summary of the Findings

- The major reasons for the purchase of private label brands are - Reasonable Offerings and Convenience
- The factors affecting the purchase behavior of a consumer towards private label brands and the stores are- Prices offered, Convenience, Product availability, Quality, Store layout, Offers available
- It is evident that 66per cent of the total sample of 100 prefers buying private label brands.
- It is clear than 80 per cent of the total sample does not think that private label brands are better than the manufacturer brands. Manufacturer brands are still perceived to be of higher quality.
- Half of the total sample prefers private label brands over manufacturer brands.
- 64 Percent of the total sample who purchase private label brands also recommend it to their friends and family
- 78 people out of 100 are satisfied with the multi-brand retail store and 8 are highly satisfied. 13 show a neutral behavior whereas only 1 is highly dissatisfied. This shows that overall most of the people who visit the stores are satisfied with the kind of products and the services provided by the same.

h- It can also be seen that people are satisfied with the private label brands that they purchase.

i- Also people belonging to an age group of 35-45 are the ones who purchase the private label brands maximum.

j- We can also see that private label brands are mostly purchased by people who are in the service.

k- Also, we can conclude that people belonging to the income range of 3 lac to 5 lac are the ones who purchase the private label brands the most.

l- The researcher also observed that people prefer private label brands mostly in the non-accessories segment such as food products but not much in the accessories segment such as clothing.

5.2 Conclusion

As it can be observed from the above findings, the major reasons for the purchase of private label brands are the offerings and convenience. Majority of the consumers are satisfied with the private label brands and the multi-brand retail store that they visit frequently. But most of them think that the quality of the private label brands is not better than the manufacturer brands. Private label brands are mostly preferred in the non-accessories segment than in the accessories segment. Also, the income of a consumer affects the purchase of the private label brands.

5.3 Limitations

- 1) The research is limited to the Delhi-NCR region.
- 2) The research is also confined to only a few multi-Brand retail stores.
- 3) Money Constraints in going to out stations for conducting the research.

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Effects of Branding on Consumer Buying Behaviour - a Study in Relation to Fashion Industry

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ABSTRACT

Brand is a guarantee, an assurance for a defined standard of quality for the first time and for every time but not the vice versa. Brand is name or logo that plays the role in the mind of the customer. Brands do not compete in the product area but compete for the mind space of the customer. A brand once established in the mind of the customer becomes indelible when customer identifies itself with that a particular brand. Branding is an effective marketing strategy tool that has been used with frequent success in the past. Branding can be an effective and powerful tool for all types of business organizations. If brand owners use their product correctly, the payoffs can be substantial. However, if brands are mismanaged, the results can be damaging. The purpose of this study is to examine the influence of brand on consumer's buying behaviour and understand the key factors of branded products which influence consumer's involvement towards trendy branded products. This paper expands the understanding of consumer buying behaviour related to Indian environment and highlights the brand factor that highly influence consumer involvement in product purchase.

Keywords: Branding, Consumer Buying Behaviour, Fashion Industry etc.

1. Introduction

"Brands are like human beings. They are born, fed and nurtured, made strong and responsible so that they can be faithful friends of the people (customers), form

mutually beneficial and satisfying relationships with them and become their companions for life. Such brands, make their parents (organization or corporate) proud of them. The best brands are the ones who help in forming and sustaining strong long term "parent-brand-people" relationships. These brands form the potential for present growth and future expansion. They help the organizations conquer peaks at the time of booms and stay afloat and swim at times of depression."

We come across a number of brands in our daily lives. Our morning starts with using a toothpaste (Colgate, Pepsodent or Close-up), using a bathing soap (Lux, Fairglow or Cinthol) and shampoo (Clinic All Clear or Vatika), wearing clothes (Allen Solly, Levi's or Raymond), breakfast bread (Britannia or Modern) and butter (Amul) or jam (Kissan), lunch and dinner (Nature Fresh or Pillsbury flour and Safal vegetables), morning and evening tea and coffee (Tetley, Nescafe or Bru), going out in a car (Hyundai Santro, Honda Accord or Mercedes Benz). Talking on the cell phone (Motorola, Nokia, Siemens or Samsung), watching television in the evening (LG, Sony or Philips) or listening to music (Philips or Apple) etc. But how often do we think of what all a company does to put a positive imprint (fight for a shelf space) in the mind of the customer? Today nearly all the companies are focusing more and more on building strong brands. The concept of brand equity and its management has come to the fore like never before. More and more companies are refocusing on select strong brands.

This study is thus a timely stuffy of the importance of brands, what it takes to build them, what benefits do they give to different stakeholders (organization, distributors and customers), how can they be leveraged, what is the impact of modern technology on branding, branding on the web, branding in mergers and acquisitions etc. examples have been given and cases discussed at every suitable point to bring out an application oriented understanding of "building and managing brands".

1.1 Understanding Branding

Brand

The word "Brand" owes its origin to the Norwegian word "brand" which means to burn. Farmers used to put some identification mark on the body of the livestock to distinguish their possession. Products are what companies make, but customers buy brands. Therefore marketers resorted to branding in order to distinguish their offerings from similar products and services provided by their competitors. Additionally, it carries an inherent assurance to the customers that the quality of a purchase will be similar to earlier purchases of the same brand. A brand is a name, term, sign, symbol or design or a combination of one seller or a group of sellers and to differentiate them from those of competitors.

Branding

Branding is a process, a tool, a strategy and an orientation.

- Branding is the process by which a marketer tries to build long term relationship with the customers by learning their needs and wants so that the offering (brand) could satisfy their mutual aspirations.
- Branding can be used as a differentiation strategy when the product cannot be easily distinguished in terms of tangible features (which invariably happens in case of many services, durables etc.) or in products which are perceived as a commodity (e.g. cement, fertilizers, salt, potato chips etc.).
- Brand building is a conscious customer satisfaction orientation process. The brand owner tries to retain customers to its fold over their competitors by a mix of hardware software because when a customer feels satisfied he / she develop a kind of loyalty for the same.

2. Understanding Consumer Buying Behavior

Consumer behaviour refers to the mental and emotional process and the observable behavior of consumers during searching, purchasing and post consumption of a product or service

Consumer behaviour involves study of how people buy, what they buy, when they buy and why they buy. It blends the elements from psychology, sociology, socio psychology, anthropology and economics. It also tries to assess the influence on the consumer from groups such as family, friends, reference groups and society in general.

Buyer behaviour has two aspects: the final purchase activity visible to any observer and the detailed or short decision process that may involve the interplay of a number of complex variables not visible to anyone.

Kotler (1999) expands on the concept of identity by stating that a brand is capable of conveying up to six different levels of meaning to a targeted audience. This is known as the "Six Dimensions of the Brand"

Attributes	A brand will communicate specific attributes, such as prestige
Benefits	A brand strengthens a product's attributes by communicating a set of benefits that makes it more attractive
Values	A brand represents a company's core values and belief system
Culture	A brand is representative or target a target audiences socio cultural characteristics
Personality	A Brand can project behavioural personality patterns of targeted consumers
User	The brand, in some cases, can emulate the end user

- From the consumers' perspective, brand names are as fundamental as the product itself in the sense that they simplify the purchasing process, guarantee quality and at times, form as a basis of self-expression. Hence, should a company market a brand name as nothing more than that.
- "just a name"; it would be missing the entire purpose of product branding. The challenge lies in developing a deep set of meanings for the brand. Once a target market segment can visualize all six dimensions of the brand, it will have established a strong rapport within the consumers' purchase decision-making process.



3. History of Branding

Brands in the field of marketing, originated in the 19th century with the advent of packaged goods. Industrialization moved the production of many household items, such as soap, from local communities to centralized factories. These factories, generating mass-produced goods, needed to sell their products in a wider market, to a customer base familiar only with local goods. It quickly became apparent that a generic package of soap had difficulty competing with familiar, local products. The packaged goods manufacturers needed to convince the market that the public could place just as much trust in the non-local product.

Many brands of that era, such as Uncle Ben's rice and Kellogg's breakfast cereal furnish illustrations of the problem. The manufacturers wanted their products to appear and feel as familiar as the local farmers' produce. From there, with the help of advertising, manufacturers quickly learned to associate other kinds of brand values, such as youthfulness, fun or luxury, with their products. This kick started the practice we now know as "branding".

We tend to think of branding as a modern day phenomenon. Certainly, during the late 1990s and the early 2000s, branding emerged as a significant area of emphasis not only for companies and their products, but also for municipalities, universities, other non-profit organizations and even individuals. Branding became

ubiquitous. Many of us also know that Proctor & Gamble and other consumer product companies began branding their products in earnest in the mid-to-late 1800s. But more interesting to me is how far back in time branding goes. For instance, companies that sold patented medicines and tobacco began branding their products as early as the early 1800s. Around the same time, some fraternities and sororities branded their pledges (literally) during initiation rites as a form of identification and bonding, a practice that has long since been identified as hazing and therefore abandoned. But that is still recent history -- relatively.

Between the 1600s and 1800s, criminals were branded (again literally) as a form of punishment and identification. For instance, in England, they branded an S on a person's cheek, while in France; they branded a fleur de lis on the shoulder. As repugnant as it may be to us today, slaves were also branded roughly during the same time period to connote ownership. In the 1200s, England required bread makers, goldsmiths and silversmiths to put their marks on goods, primarily to insure honesty in measurement. In the Medieval times, printers also used marks as did paper makers (watermarks) and various other craft guilds.

But branding goes back even further. As far back as 1300 BC, potter's marks were used on pottery and porcelain in China, Greece, Rome and India. Branding of cattle and livestock go back as far as 2000 BC. And archaeologists have found evidence of advertising among Babylonians dating back to 3000 BC. So, how far back does branding go? At least 5000 years.

4. Literature Review

- (Sawant, 2012) In today's world a brand occupies a very important place in the mind of customers. A brand, by definition, is a short hand description of a package of value, on which consumers can rely to be consistently the same or better over a period of time. The owner of a registered brand personally stands behind the branded and offers personal guarantee for maintaining the quality and standards of the product.

- (Soundararaj & Janakidas, 2012) concludes that the Indian companies should focus on superior quality, product innovation, durability and a variety of products towards the customers in order to gain a better market share.

- (Sharma & Pathan, 2011) finds that the age & gender does not make much difference in the opinion of a consumer while choosing a brand. The purchase decision of the consumers mainly depends on the value of the brand in monetary terms as well as the position it enjoys in the minds of the people.

- (Zeb et al, 2011) indicates that the female consumer shows positive attitudes towards brands and high level of involvement in fashion clothing. Along with that self concept was also the most important element as consumers use brand related product that matches with their own personality.

- (Sankar, 2006) studies the effect of local brand v/s global brand at the time purchase of car and concludes that the customers prefer local brands compare to global brands for effective services.

- (Baumgartner, 2003) A brand's constant is usually interpreted as representing the influences on consumer's brand choice decisions that are not reflected by other predictors, such as brand awareness or consumer perceptions of brand quality.

5. Research Methodology

Research Objectives:

1. Understanding the concepts of branding and consumer behavior.
2. To study the effect of brands on consumer buying behavior in relation to Readymade apparels.
3. To determine how consumer buying behaviour gets influenced by various factors that influence their perception.

Research Design

Conclusive Research design was used to carry out this research study.

5. Methods for Data Collection

Survey Method was adopted in order to collect the primary data required for the study. The questionnaire was designed in such a manner so as to cater to all the areas and aspects of the study. The respondents were asked; how they feel about the purchase of branded products. And there shopping experience and the satisfaction level and what are the things that need to improve were also discussed in length.

Sampling Method

Random or Probability Sampling Method

Sample Size

100 Units

Sampling Units

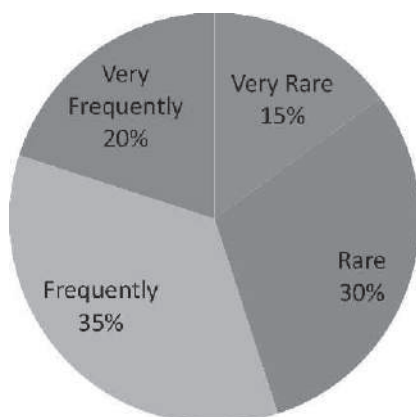
Sampling units consist of Students, Service people and self-employed people from different market place.

Research Method

This study is based on sampling. Census method could not be conducted due to the area constraint. Sampling would provide a generalized opinion of all the consumer groups on a whole

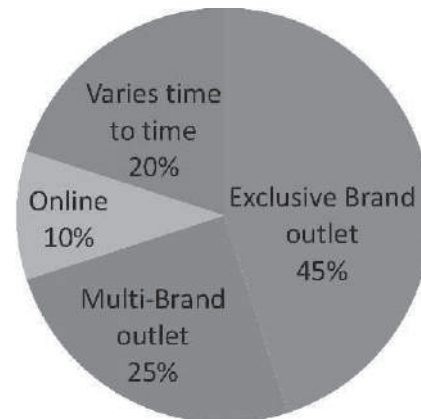
6. Data Analysis and Interpretation

Statement: Frequency of buying of readymade apparels.



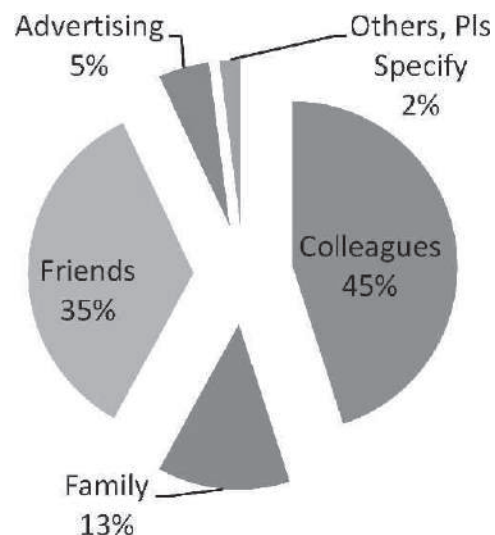
Above pie diagram shows, 20 per cent buyers buy readymade apparels very frequently, 35per cent buys frequently, 30 per cent buys rare and rest 15per cent buyers buys readymade apparels very rare.

Statement: Purchase preferences of readymade apparels from stores/ others



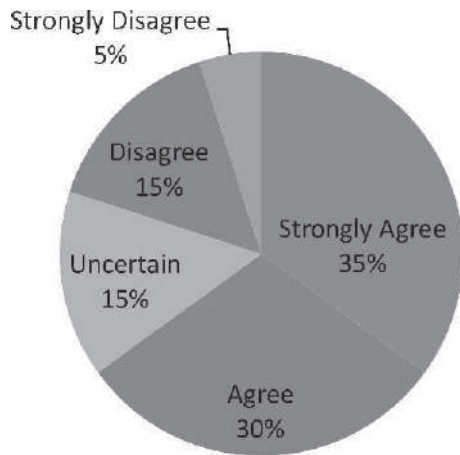
Above pie diagram shows, 10per cent buyers buy apparels online, 25per cent buy from Multi Brand Outlet, 45 per cent buy from Exclusive Brand Outlet and for rest 20per cent buyers it varies from time to time.

Statement: Factors influence you the most while choosing your brand?



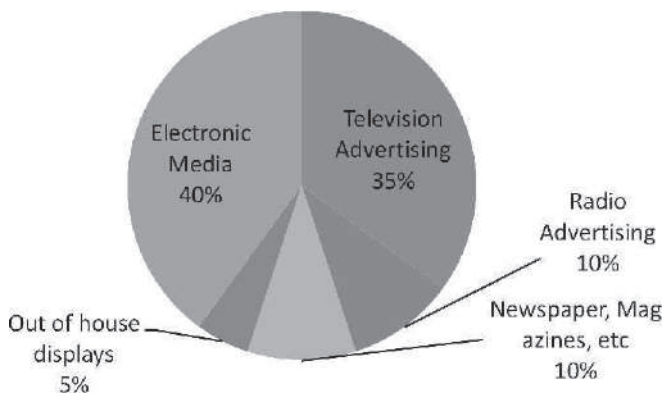
Above pie diagram shows, 45per cent buyers get influenced by Colleagues, 35per cent by friends, 13percent by their family, 5percent by Advertising and rest 2 percent buyers get influenced by others factors.

Statement: Impact of quality advertisements by any brand change to your perception about the product.



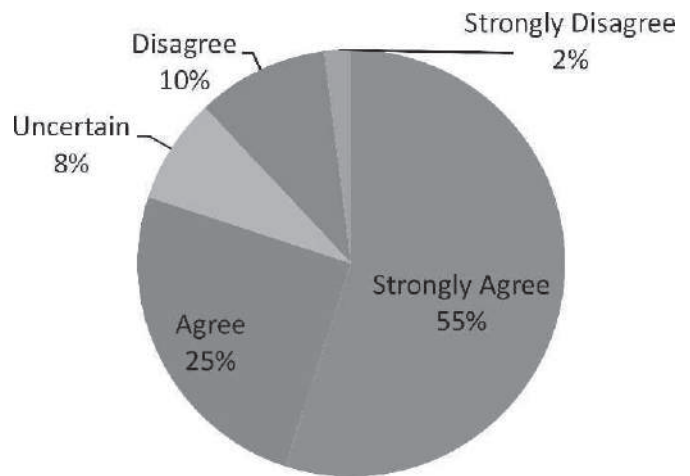
Above pie diagram shows, 35 percent buyers strongly agree with the statement, 30 percent buyers agree with it, 15 percent buyers are uncertain about it, 15 percent buyers disagree with it and rest 5 percent strongly disagree with the statement.

Statement: Impact of Media on purchase of a brand of a readymade apparels.



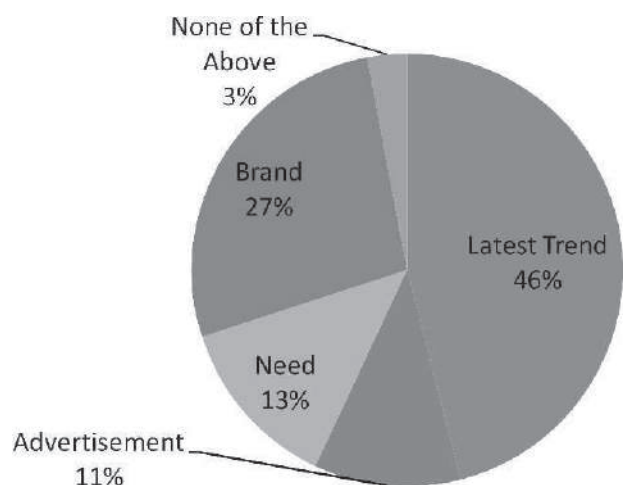
Above pie diagram shows, Electronic media has maximum impact with 40 percent, after it Television Advertising with 35 percent, 10 percent buyer believe that Newspapers, Magazines have lasting impact, another 10 percent buyer believe that Radio advertising have lasting impact and rest 5 percent buyers believe that Out of House displays have long lasting impact.

Statement: Consideration of branding on purchase of readymade apparel.



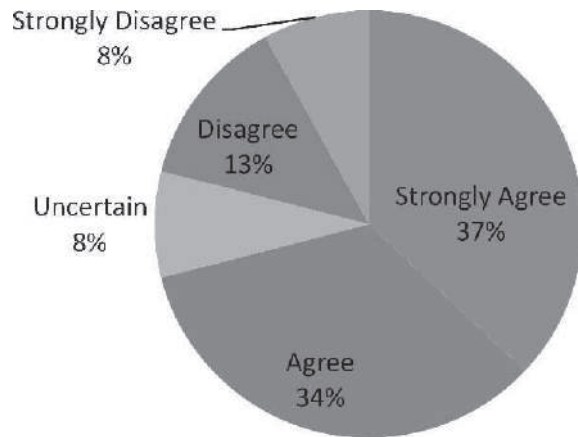
Above pie diagram shows, 55 percent buyers strongly agree with the statement, 25 percent buyers agree with it, 8 percent buyers are uncertain about it, 10 percent buyers disagree with it and rest 2 percent strongly disagree with the statement.

Statement: Impact of factors like latest trends, needs etc. on purchasing process in terms of readymade apparels.



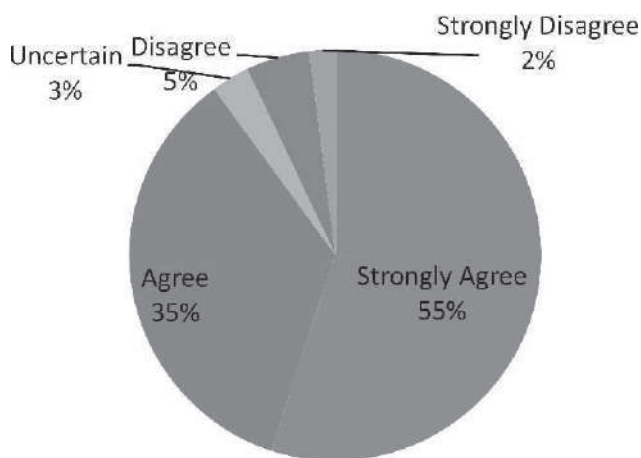
Above pie diagram shows, 46 percent buyers buy readymade apparels based on latest trend, 27 percent buys based on brand, 13 percent buys based on need, 11 percent based on Advertisement and 3 percent buyers buy readymade apparels based on other reasons.

Statement: Recommendation of any readymade apparel brand, considering on your past experience.



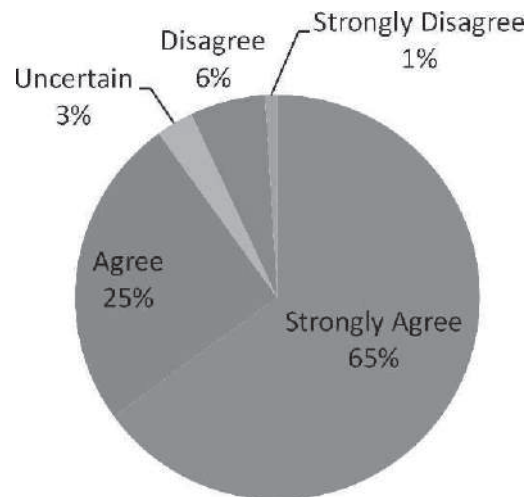
Above pie diagram shows, 37percent buyers strongly agree with the statement, 34percent buyers agree with it, 8percent buyers are uncertain about it, 13percent buyers disagree with it and rest 8percent strongly disagree with the statement.

Statement: Branding strategies are must for a readymade apparel brands to attain success.



Above pie diagram shows, 55percent buyers strongly agree with the statement, 35percent buyers agree with it, 3percent buyers are uncertain about it, 5percent buyers disagree with it and rest 2percent strongly disagree with the statement.

Statement- Price of product plays an important role in switching the apparel brand.



Above pie diagram shows, 65percent buyers strongly agree with the statement, 25percent buyers agree with it, 3percent buyers are uncertain about it, 6percent buyers disagree with it and rest 1percent strongly disagree with the statement.

7. Conclusion

The readymade apparel industry in India is set for sustained growth over the long term, fuelled by favourable consumer demographics, overall growth in services and industrial sectors and infrastructure development in suburban and rural areas. Several Indian and MNC players are looking to strengthen their presence in India to leverage this opportunity. Success in the long-term will require firms to develop a wide and robust distribution network, differentiate their products according to consumer demographics and innovate in the areas of promotion, pricing, etc. As per the analysis consumers tend to buy products of their trusted brand and affective branding do affect the consumers' purchasing tendencies. As we can see from the data analysis, as far as the readymade apparel industry is concerned, the branding strategy plays a vital role in their success and growth. The study also provides an in depth knowledge about how frequently the consumers are into purchasing

of readymade apparel and different factors affect the consumers' behaviour to choose a particular brand.

Advertisements are the most important determinant for any consumer to decide amongst various brands. The findings also suggest that Television Advertisement play an important role as far as the decision to choose a brand and forming an opinion about its image is concerned as Television is the most easily available and understandable electronic media as far as the different parts of the country is concerned. Also a word of mouth from various peer groups and family friends who can share their past experiences also results in deciding the best brands.

The apparel industry is characterised by strong growth trends in all domains - from rise in affordability factor of Indian population, increased penetration and exponential growth of rural markets, policy support in terms of FDI, to large scale investment plans by corporate. The readymade apparel industry is set for an upward graph with numerous opportunities for those involved in it. Relaxation of tariffs and increased liberalisation amid a favourable FDI environment is leading to expansion in India, increased investments and greater R&D. Key players like Vanheusen, Lee, Levis Jeans, Armani, and Zodiac have also announced huge investment plans for India. The usage of celebrity endorsements has been confirmed to result in more favourable advertisement ratings and positive product evolutions. Marketers have heavily relied on different forms of promotional activities like celebrity endorsement, because they believe in its positive impact of assisting in improvement of brand awareness, brand equity, and even financial returns. Besides returns on the financial aspect and brand awareness, using celebrities in advertisements can be a shortcut to assisting brands in gaining recognitions. All these efforts may be contributions in creating brand loyalty.

8. Limitations of the study:

The study did not cover the effect of branding on a very large scale. Only a small population was studied, which may not be enough to show correct picture.

- This study is limited to Dehradun city only due to time and resource constraints.
- This study is limited due to time constraint as it involves a lot of complex variables which require a detailed study over a period of time.
- Brand which may not be enough to show correct picture.

9. Recommendations

There are numerous players available in readymade apparel sector and this sector is going through cut-throat competition. Hence, potential consumer is likely to seek more information and sometimes get confused to the purchase of readymade apparel.

Demand for readymade apparel is more volatile since it moves rapidly or evaporates quickly in relation to business conditions. Marketers separate the current demand for readymade apparel in terms of changing trends quickly than ever before.

Brand consciousness among the purchases of the readymade apparel is an important trend found in the study. Consumers prefer readymade apparel of well established brands and which matches with the current fashion trends. The marketers and manufacturers of the readymade apparel must try to convert the brand consciousness into brand loyalty for their well established brands. The consumer behaviour in this direction should properly exploited by the manufacturers and dealers to maximize their sales

Regular checks and surveys should be made compulsory by the marketers in order to make their brands for readymade apparel more consistent so that the consumers as well as the marketer can keep a track with the current fashion trends.

Concessions in the price, discounts sell, gifts, schemes, etc., have become common practices. These practices must be encouraged. The buyers of readymade apparel should try to avail of these benefits, whenever they are available however, the buyers of such goods should not be lured mere by consciousness without considering the quality of these products.

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Human Resource Management and Leadership in Hospitality Industry

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ABSTRACT

Human Resource Management is one of the essential aspects of every organization these days. In Hospitality Industry where ground level employees are the main plug in between customer and organization. So it becomes imperative for hospitality organizations to consider employees an asset. But role of Human Resource Personnel is highly affected by the leadership prevailing in organizations. So both of them make an impact for success of any HEAT (Hotel, Events, Airlines and Travel and Tourism) industry. Various styles of Leadership affect the organisation differently. In what situation which style to apply, is also depending upon dexterity of a manager. HR dept is mainly responsible for making policies and procedures in any organisation, but policies made by them will be productive only if they will be implemented properly. Here we will discuss apart from HR dept who else is responsible for productivity of organisation. Here we will see other HR partners who are directly handling people in teams like Line Managers or HODs and Top Management etc. They also work as HR performers in hospitality industry. The main distinction of this industry is, it is highly customer focused and customer satisfaction can be only achieved through employees excellence. So satisfied employees can bring only satisfaction among customer. Because of employee satisfaction the role of HR becomes crucial here and all aspects associated with HR also becomes necessary to look into.

Keywords: Human Resource Management, Leadership, Hospitality, HEAT etc.

1. Introduction

Understanding the role of human capital is one of the key considerations in delivering and sustaining competitiveness irrespective of any industry. Hospitality industry which particularly considered to labour intensive, managing employees in this industry is a challenging task. The growth of economic globalization over six decades is the result of proliferation of the HEAT (Hotel, Events, Airlines and Travel and Tourism) industry. High attrition rate and demanding employees are among the problems that are identified as threats to maintaining a strong competitive position. Here the role of human resources plays a big role. Recently, HRM literature has given a thought to the HR role of linemenagers. These Line managers play a significant role and their leadership affect a lot on organization's performance. Nevertheless, there is a scarcity of HRM literature on the interaction among the managers at different levels of the organisational hierarchy and with different functional roles and how this interaction affects the design and implementation of HRM in organisations (Stanton et al., 2010). But human resources and leadership closely associated with each other. Together they ensure the smooth functioning of the organization. Human Resource and Leadership Management are increasingly supportive and important for any business to achieve their goals in 21st century. It is essential that they work together so that it enhances the performances of the employees as well as organisation as a whole. Seeking the increase in globalization in 21st century, it becomes challenging for HR personnel to recruit, retain, motivate and in-build teamwork among intergenerational employees. Management of any organisation which is mainly responsible for achieving the general objectives and for protecting the persistence of the customs in the organization. Then competence of the Human Resources and social relations are become crucial for achieving these goals. This makes HRM of

strategic importance to the long-term success of the organization.

2. Review of Literature

As discussed by Chand M. & Kataou A(2007) that Hotel performance is positively related with HRM systems. So, it would be advisable for the hotel management to focus on the "best" HRM practices for the hotel industry in India, those being multi-skilling and experience, harmonized terms and conditions, formal manpower planning, career planning, flexible job description, cross-cultural job design, formal system of induction, need-based training and development criteria, production /service staff responsible for their service, regular use of attitudes surveys, social appreciation and recognition, and staff informed about market condition and company performance. Improvement of these HRM practices may develop competitive advantages for the hotels that adopt these practices. Mehta A.(2014) concluded that it is Monetary rewards and Non-Monetary have an impact on Employee Performance and Job Satisfaction. They have a significant relationship among them. All objectives of the study were achieved. To achieve competitive edge in the business world, an organization has to flourish its human assets which are its work force and is considered most important for the development of an organization .According to Peshave M. (2014) the hospitality industry agrees to the fact that the employment practices followed by the hotels have an impact of the productivity of its employees.

All of these discussed about significance of HRM in hospitality but no one touched the major player in HR dept who actually implement these policies and make it work for the organization to get productivity.

3. HR Role Performers in Organisations

Human Resource staff is responsible for drafting and implementing policies and procedure in various departments. But apart from HR there are other key people who implement and run various policies in

organisation. As stated by Brussels (2009), Line Managers are the ones who is going to implement the policies and procedures created by HR Dept. This implies that line management is also involved for the HRM functions within the organization. As stated by Najeeb A.(2013) it is not only HR Dept playing a crucial role while defining policies and implementing it but others also which include the owners, general managers (GMs), HR and line managers. He named the term HR actors for them. All of them act as a Leader in organisation at different level.

An effective leader will be a blend of effective knowledge base, positive attitude and ethical values. Tichny and Devannn (1986) defines leadership as the process for directing and stimulating a groups successes and the person exhibiting leadership is termed as leader. HR is a distinctive approach towards employee management using a combined array of cultures, structural and personnel techniques through strategic management of a highly committed labour force seeking to achieve competitive advantage (Schuler and Jackson 1999). As per Carmichael, et al. (2011) to focus on the development, the leadership of line managers needs to be action-centred. Action centred leadership encompasses three essential elements for an overall performance of a line manager, that is, achieving task, developing the team and developing individuals.

4. Styles of Leadership

According to Alan W (2009), leaders can be of various types, and their styles can vary from person to person. Leadership styles can be categorised mainly into four types, which are, autocratic, bureaucratic, democratic and laissez-faire. An autocratic leadership style can be related to the military style, where there is only a single general. In organizations there is only a single leader, and all decisions are taken by them only without any consultation with others. Bureaucratic leaders follow the book for every single process which results in delays in

decision making. It is mostly found in government offices. Democratic leaders, connect the employees with the decision making progress which gives the employees and followers a chance to speak up. Lastly, laissez-faire is a type of leadership in which the leader lays hands of any decision making, and lets the employees do so. Also known as the 'hands-off style', it may be harmful to an organization if the employees are not capable of taking any decisions (Carmichael et al 2011). In hotels, leaders show a variation from position to position along with their own set of responsibilities. Usually the top management, and HOD's (Head of Department) with HR personnel, are the leaders who are responsible for the success and failure of their department and hotel. The leadership styles seen at the hotels vary from one extreme to other like from autocratic to laissez-faire. Carmichael, et al (2011) states that for successful leadership management involves two roles charismatic and architectural. Charismatic leadership management encompasses the energetic support from workforce for the vision and direction of the organisation and they use their impression management practices to inspire followers in pursuit a vision (Takala, T.,2005). Architectural Leadership is an approach to leadership that focuses on designing, implementing and improving organizational processes and structures to realize competitive strengths. Similar to an architect, who shapes a structure, the Architect Leader shapes the behavioural and functional space of the organization to meet its needs and its goal (Eldad Kollenscher,2009).

As the HEAT industry is growing constantly day by day and it creates more and more recruitment opportunities. In 2013-14 the industry contributed 9 percent, that is 1,087 million to the worlds total Gross Domestic Profit (GDP) and 9.6 percent of the total recruitment percentage and is expected to increase by 3.3 percent by 2030 (Rounce,2014).

4.1 Various Role of HRM

Employees are the main asset for any organisation and represent the company they work in, so is the case with HEAT industry also. Recruitment and Selection is the most basic but crucial responsibility of HR to recommend right talent to the organisation at right time. These are basically two different strategies of employment cycle adopted by HR to represent the best workforce to the organisation. Recruitment and selection is the process in HR is to solicit and contract interested potential candidates by the organisation. The human resource department is also responsible for hiring people with the right behaviour and attitude which would be fit for the service industry (Nickson 2007). The foremost thing in HEAT industry for recruitment is, the candidate should carry the correct attitude, as training can be done later on in order to sharpen the job related skills (Boella and Turner 2013). Hilton Worldwide has been a leader in the hospitality industry since the time they were founded in 1919. They have been a symbol of hope when it comes to originality, excellence and accomplishments. In Human Resources & Training, they believe individuals are the way to giving an exceptional hospitality experience. They have recently won the "best talent management strategy award, 2015" for their excellence in training and recruitment strategies. They maintain this good leadership strategy by keeping a good relationship with the countries best hotel management schools and only hire the crème la crème. They look for people who are humble and willing to learn and are positive. The hotel industries understands that hospitality industry requires a huge amount of humility and hence, during the interviews, they are keenly focused on hiring people who have a positive and humble outlook on life (Hiltonworldwide.com 2015).

After recruiting, training and development is also one of the key function of HR dept. Training the employees would be an advantage to the company. Those companies

who invest in the training for employees look at it as an investment and not an expenditure. It is a planned undertaking done by the human resources team to train the employees. Training is a combined function of HR and Line Managers or HODs in organisations, because HODs or Line Managers mostly recommend employees for training programs even though HR dept also involved in it but HODs plays major role. So both act as leaders for effectively performing this function.

Performance appraisal is another key function which is being taken care by the human resources team. It is a process in which they evaluate an employee's job performance in a systematic way and in order to retain them and appreciate them, they reward them or if any gap is found in the performance, they can take necessary actions like training recommendations. Rewards can be of different types like incentives, hike in salary, promotions, gift hampers and benefits etc. HEAT industry cited so many examples where they are giving enough benefits to employees. An employee at The MGM Resorts, employees are offered a list of benefits from health plans, savings plans, employee assistance, paid time off and education and personal growth. The health plan helps employees focus on their health and lifestyle by providing them with benefits that cover medical, vision and dental care. The savings plan, ensures all employees can save their hard earned money for their children's education or for themselves with the help of two savings plans, 401(K) and 529 College savings plan. Also known as EAP (Employee assistance program), ensures the emotional and mental health is also looked after with the help of free consultations in case of any case of legal, grief and loss case arises. The company also offers much more than dental, vision and medical. It also offers additional benefits such as housing loans, pet insurance and even life insurance. Last, but not the least, the company also provides employees paid

leaves, and education and personal growth of the employee (Mgmresortscareers.com 2015). All these decision taken majorly by HR and top management people. They act as leaders in deciding such key issues regarding benefits.

5. Analysis and Findings

From the research we can be able to infer that employee satisfaction and HRM is having direct connection with each other and in hospitality industry organisational success is directly related with customer satisfaction which ultimately comes from employee dedication. Here the role of HRM and other performers of HR with their different leadership styles affect employee's morale and productivity.

Employee Satisfaction and Role of HRM

Employee job satisfaction is the aspect which needs to be worked on in Hospitality Industry. As the study conducted in some of the 3 star and 5 star hotels in Kerala and Karnataka, shows that remuneration is one of the major cause of discontent among hotel employees. It was also showing that turnover rate is also high as shown in table:

S. No.	Job Satisfaction Variables	F.S % of Respondents	S % of Respondents	M.S % of Respondents	U.S % of Respondents	TTL %
1	Salary package	11	20	53	16	100
2	Training and Development	15	24	51	11	100
3	Performance Appraisal	23	24	48	05	100
4	Promotion	08	13	51	28	100
5	Job Security	11	21	45	23	100
6	Working condition	08	56	27	0	100
7	Employee Recognition	20	27	49	04	100
8	Employee Insurance	20	32	35	13	100
9	Bonus / Incentives / Allowances	11	56	25	08	100
10	Grievance Attending System	12	29	55	04	100
11	Accommodation & Food	16	64	15	05	100
12	Monthly / Annual Leaves	07	03	69	11	100
13	Shifts/Working hours / Overtime	07	16	61	16	100
14	Approach of Co-workers	69	31	0	0	100
15	Approach of Supervisors / Managers	29	60	11	0	100

Note: F.S-Fully Satisfied, S-Satisfied, M.S-Moderately Satisfied and U.S-Unsatisfied

Source: International Journal of Applied Services Marketing Perspectives©Pezzottaite Journals.

The Study also shows that because of shifts, number of

working hours and overtime also one of the main reason for dissatisfaction. Promotion is the main motive for every employee to work in an organisation whether it is in terms of money or position. But as the survey showing employees are highly dissatisfied. So looking at this HR responsibility is not only of the HR dept but others also like Line Managers, Senior Manager etc. According to Najeeb A. (2013), HR manager are overloaded with staff issues, leaving little room for them to focus on strategic aspects of HRM. So Line Managers, Senior management also play a vital role in making employee committed and more productive for organization.

As defined by Rader, B (2012), non monetary strategies also make a lot of difference on employee morale and productivity. The use of these non-monetary strategies like clear communication, providing feedback, offering training and development, presenting challenging assignments, and giving praise and acknowledgement - will boost employee engagement and commitment, leading to increased employee retention. They require a little bit of time and effort from the management team but the results will prove to be worth it. Milind A., Peshave D. R. (October, 2013) came out with a fact that the employee practices followed in organizations have a positive impact on the performance of the employees. It boosts their moral and motivates them to give in their best to enhance their performance. Productivity is a measure to evaluate the performance of the employees towards attainment of the organizational objectives. However, the impact of each of these practices on productivity of the employees needs to be tested. Below is the list of employment practices with additional aspects. In this study they came out with conclusion that Hotels should frame employee centric employment practices that would lead to enhancement of the performance of the employees, thereby attaining greater levels of productivity.

Employment Practices	Additional Aspects
Monitory Benefits	Better salary & wages
	Incentive schemes
	Overtime compensation.
Training & Development	
Work-Life Balance	Additional Leaves / Holidays / Weekly offs
	Employee Leisure Clubs / Family Get togethers
	Fixed number of working hours per day
Work Culture	Employee relations
	Interactions
	Healthy work atmosphere
Employee Welfare	On the job Meals
	Transport Facilities
	Family Medical Benefits
	Accommodation Facilities
	Child Education Plans
	Family Pension Scheme / Insurance schemes
Employee Recognition	Rewarding employees for outstanding performances.
	Appreciation of steady performing employees.
	Employee of the month for exceptional contribution during the month

In the above table, some aspects of employment pratices mentioned with additional relevancy to employees in Hotel Industry. Moreover, in the hotel industry product is in the form of service provided to the guests. Thus, enhancing productivity means, enhancing the service delivery process leading to greater guest satisfaction. So it is directly clear that if employees are satisfied and well equipped, it will lead to greater customer/ guest satisfaction. There is a well established positive relation between fair employment practices followed by the organizations and the motivation and efficiency of its employees. Thus it may not be an exaggeration to say that adherence to fair employment practices have a positive impact on employee productivity.



Source: www.ijbmi.org Volume 2 Issue 10, October. 2013. PP.27-38

As shown in this graph, various percentage for each employment practices with their impact on enhancing productivity on associate level and managerial level employees. All these practices might be proposed by HR dept but for implementation of it not only HR dept is responsible but Line Managers and Senior Management also plays a crucial role and act as leaders in organisations.

6. Conclusion

According to Akbar Ali (2012), the roles handled by an employee are the responsibilities taken up by him. Each role has a set of objectives and goals which need to be fulfil and since they are being paid for, it becomes a necessitate to successfully complete the challenge. The human resource department mould the people in such a way that they can become future leaders. Human resource managers can also be titled as "risk managers". But their role is highly affected by the nature of Leadership prevailing in an organization. The amalgamation of HR and Leadership can make an organisation as success or failure. HR people are the one who plant the seeds for the growth of the company by recruiting people but nurturing them to grow and providing them conducive and growth oriented environment is the task of HR as well as a Leader. The main agenda is that the organization can achieve success through its employees which can only be done over a period of time. It is also been proved that over fifty

percent of the success and failure is brought about by the kind of leaders which have been employed within the organization (Armstrong, 2010). So HR with the help of Leaders, can make significant effect on organisations' success.

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New Paradigm of Human Resource Development and Challenges of Current Education System in India

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ABSTRACT

The Ministry of Human Resource Development, Govt. of India, responsible for development of human resources. The ministry is divided into two departments: the Department of School Education and Literacy, which deals with primary and secondary education, adult education and literacy, and the department, which deals with university education, technical education, scholarship etc. Knowledge has always been a characteristic of human beings in view of their unique capacity to formulate and consciously transmit knowledge from one generation and location to another. In recent years Knowledge Society has gained prominence due to advances in the technology and related applications. Applying new knowledge continuously results in continuous innovations which yields social evidence for the civil society through great level of education, empowerment in women, which together result in improved human resource development. HRD deals with all aspects of human development whether they relate to poverty, gender discrimination, denial of human rights and liberty, impact of globalization and environmental concerns. The present paper focuses to evaluate India's government efforts at reforming educational sector, analyses the growth of education in India aspect of HRD as it constitutes one of the most significant challenges being faced by India at present.

Keywords: Human Resource Development, Knowledge, Education, Challenges etc..

1. Introduction

"Education is the most powerful weapon which you can use to change the world."

-Nelson Mandela

Education being one of the most important factors responsible to shape the personality of an individual has manifold functions. It is the potent source of material and human development. Quality is the most cherished goal in human endeavor and especially in the field of education. Education is an important policy priority in creating a knowledgeable, skilled and adaptable workforce able to contribute to the country's competitiveness and social cohesion. The concept of human capital which was introduced since the early 1960's, is deeply associated to the education development and can be considered as the main way for investing, maintaining and determining it in a really "perpetual machine" for the society welfare. Investing in human capital is one of the most relevant factors affecting the economic expansion of a country. Education is the most important lever for social, economic and political transformation. A well educated population, equipped with the appropriate awareness, attitudes and skills are essential for economic and community development in the twenty-first century.

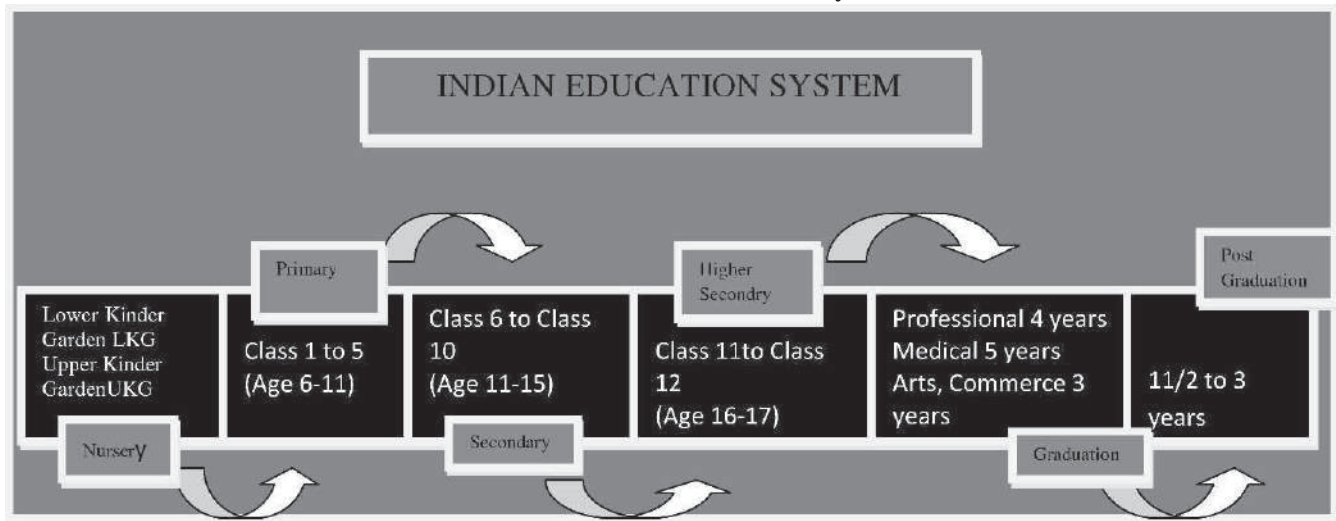
Education is the most potent tool for socio-economic mobility and a key instrument for building an equitable and just society. Education has been made too easy for the students so that more and more students can enter into the scope of education system of the country. The present day education system in India has come a long way and the age old traditions have undergone a new makeover. India's education system turns out millions of graduates each year, many skilled in IT and engineering. Indian governments have seen education as a crucial development tool. Education in India is provided by the public sector as well as the private sector, with control and funding coming from three levels: central, state, and

local. India has made progress in terms of increasing the primary education attendance rate and expanding literacy to approximately three-quarters of the population in the 7-100 age groups, by 2011. India's improved education system is often cited as one of the main contributors to its economic development. Much of the progress, especially in higher education and scientific research, has been credited to various public institutions. At the primary and secondary level, India has a large private school system complementing the government run schools, with 29 percent of students receiving private education in the 6 to 14 age group.

Education plays a dominant role as an effective instrument for large scale achievement and revolution in all spheres. Purposeful education enables the individual to understand and study the real life situation and to develop an opportunity for creating confidence in the minds of younger generation, and provide a strong base for rational and value oriented and nation building progress (Myers & Harbison, 1965? Mingat and Tan, 1986). There are close to 1.3 million schools in India with a total enrolment of over 227 million students right from the Primary School (Standards I to V) to Higher Secondary Schools (Standards XI and XII). Given, that a large proportion of students drop-out at Primary School level (at Standard V) and at Middle School (at Standard VIII), it is evident that a large portion of the capacity and enrolment is up to these two levels of school. Education is a lifelong process. Twentieth century has witnessed the miracles of Human Resource Development (HRD) activities reflected through increase in GNP and overall productive activities. The Government of India offering both formal and informal training programmes at different levels in order to develop the human resources. This prosperity in education is obviously a great thing for India, and the dream to make India a technological oriented and advanced nation would become real, because the cumulative effort done so far in the human

development is noteworthy. As Human Resource Development concentrate much on the category of major raw human resource to be processed into the work- force and its role in reconstructing the economy.

Figure: 1
Overview of Indian Education System



Source : Selected Educational Statistics-2005-06, MHRD, ImaCS analysis

The pre-school covers two to three years. The elementary stage consists of a primary stage comprising of Classes I-V (in some states I-IV), followed by a middle stage of education comprising of Classes VI-VIII (in some states V-VIII or VI-VII). The minimum age for admission to Class I of the primary school is generally 5+ or 6+. The secondary stage consists of Classes IX-X (in some states VIII-X), and a senior secondary stage of schooling comprising of classes XI-XII in all states. In some states/UTs these classes are attached to universities/colleges. The number of working days of school education in a year is generally more than 200 days in all the states/UTs. The objectives of academic courses are to promote problem-solving abilities and convey higher levels of knowledge. The curriculum at this stage comprises foundation courses and elective courses. Graduation is 3 years program and post graduation is 2-3 year program.

2. Literature Review

The World Bank (2000) acknowledged the importance of technical and higher education for countries not to be left

behind in a global economy based on knowledge. Criticizing an analysis that measures the benefits of higher education solely in terms of incremental earnings accruing to individuals, higher education is regarded as 'simultaneously improves individual's lives and enriches wider society, (World Bank, 2000: 37). Further, education is a lifelong process. What a student obtains from the school and college is only a part of the education that needs for the economic and social life of human being. Thus, both in the case of man who is determined to reach the summit, and the man who wants to make a complete success of his life, additional education is imperative to develop the special skills. Therefore, the education must be constant and continuous programme (Myers & Harbison, 1965? Bacchus, 1992, Rena, 2005).⁶⁸ IJEDICT.

The twentieth century has witnessed the miracles of Human Resource Development (HRD) activities reflected through increase in GNP and overall productive activities in industrially developed countries. Even Eritrea has experienced the GNP growth rate of 7

per cent during 1994-1997. However, it decelerated due to border conflict with Ethiopia. Details are presented in subsequent paragraphs of this article. Human Resource Development (HRD) in itself can be understood in different ways: HRD in its broadest sense is an all inclusive concept, referring to the process of 'increasing the knowledge, skills and capacities of all people in a society' (Tseggai, 1999: 216), encompassing in economic terms the accumulation of human capital, in political terms preparing people for participation in democratic political processes, and in social and cultural terms helping people to lead fuller lives, less bound by tradition (Tseggai, 1999).

The dominant human capital theory has, however, narrowed HRD down to its economic aspects, or its human capital component (World Bank, 1995). The role of higher education within the national HRD strategy broadly follows the pattern advocated by Thompson and Fogel (1976) for educational development in developing countries, in which higher education is strongly embedded into the national community as a whole instead of being an elitist institution which is removed from the realities of the majority of the population. The role of the university herein is that of a 'developmental university', an institution first and foremost concerned with the "solution" of the concrete problems of societal development' (Coleman, 1994: 334). Such a university sets out to 'ensure that the development plans of the university are integrated with or linked to national development plans' (Coleman, 1994: 343). In Eritrea, having understood these phenomena, efforts have been intensified to accelerate the development process through different forward-looking activities including various human resource developments (Tseggai, 1999? Rena, 2005c).

The Ministry of Education (MoE) has been playing very prominent role in rebuilding the economy through successful implementation of HRD plans depends

substantially upon relevant policies and practices of other developed and developing countries apart from its own internal policies and constraints (Bacchus, 1992? Todaro, 1994). The noble achievement of this kind has been witnessed through the present educational programmes and reforms in the country. The MoE has its own frame work for the operation of erring both formal and informal training programmes of different level notably the human resource development programmes.

3. Objective

Education has been identified as a critical input for economic development and for human resource development. India's education system is divided into different levels such as preprimary level, primary level, elementary education, secondary education, undergraduate level and postgraduate level. The main objectives of present paper are:

- Analyze the growth to understand the present education system in India.
- Evaluate different Government schemes to increase the level of education.
- To identify the present challenges of Education.

4. Research Methodology

The present study is descriptive cum exploratory. It is primarily based on secondary data collected from various sources like national reports and economic surveys, websites etc. of state and national level departments of education. Secondary data was accumulated through various sources like internet, reference materials, newspapers, magazines etc. The paper starts with focusing on Indian Education system and then it covers the different efforts taken by government to change the current status of education and identify the present challenges faced by education and conclude with the different skills requirements by the principal, teachers and trainers.

5. Overview of the Education

A good education system is essential to a nation and for a

nation like India which is an emergent issue, it is of dominant importance to reflect on our current education system and integrate sustainable changes in it, to make it companionable with the global dynamism. The word education comes from the word 'educere' which means to carry about what is previously in. As Swami Vivekananda said, "Education is the manifestation of excellence, already there in man". The purpose of education is to perceive talent proactively and the principle of school education is to guide the child's discovery of himself, identify and nurture his potential to the fullest. India contains about 888,000 educational institutions with an enrollment of about 179 million students. The elementary education system in India, is the second largest in the world, with 149.4 million children of 6-14 years enrolled (about 82 percent of the children in that age group) and 2.9 million teachers.

Teachers must perceive children as seeds to be nurtured and not as clay to be moulded. They must act as gardeners and not as potters. This attitude must change and if it does so would the education system. It is essential that education should be based on application and intelligence instead of tiresome to test memory. Our present education system lacks practicality and application. It's time for the educationists to instill some life in the system by connecting classroom lectures with real-life experiences.

5.1 School Education

In India, though there is the provision of central authority, but primary education is a state system and power officially resides with the states, concerns about efficiency and local involvement are addressed through the delegation of authority from the legislative branch to the local school board. Although the powers and duties of the education system vary by state jurisdiction, governance structure governed by an elected or appointed board. States also govern through state boards of education, administer through state departments of

education. A uniform structure of school education, the 10+2 system, has been adopted by all the states and Union Territories (UTs) of India following the National Policy on Education of 1986. Elementary School, Class I -VIII, is recognised as the period of compulsory schooling, with the constitutional amendment making education a fundamental right. A majority of the states and Union Territories (UTs) have introduced free education in classes' I-XII. In states/UTs where education is not free for classes IX and above, the annual fee varies considerably.

Table: 1 No. of Schools in India

	Board of Intermediate Secondary Education	Pre-Degree Junior Colleges/ Higher Sec. Schools	High/Post Basic Schools	Middle / Senior Basic Schools	Primary/Junior Basic Schools	Pre-Primary/ Pre Basic Schools
No. of Institutions	48	66,917	123,726	367,745	823,162	67,822

Source : Selected Educational Statistics-2005-06, MHRD, IMaCS analysis

Table: 1 show the number of schools in India .It show that out of the over 227 million students enrolled across different levels of education, about 60 percent of the enrolment is in the level of Primary Education.

Table: 2 Enrolments in Schooling in India

STATE	Pre-Primary to XII		
	Boys	Girls	Total
INDIA	131230075	116051370	247281445

Source : Selected Educational Statistics-2005-06, MHRD, IMaCS analysis

Table: 2 show the number of boys and girls enrolment in schooling in India. The enrolment in Education in India has witnessed a total enrolment in schooling in India by boys and girls both.

Table: 3 Numbers of Teachers in Various Types of Schools

State	Intermediate/S enior Secondary Schools	High/Secondary Schools	Upper Primary Schools	Primary Schools	Pre-Primary Schools
INDIA	1144619	1184870	1777978	2216973	63496

Source : Selected Educational Statistics-2005-06, MHRD, IMaCS analysis

Table: 3 show the number of number of teachers teaching in various schools in India.

2) Higher Education

Higher Education in India comprises of the following colleges/ institutions: Arts, Science and Commerce colleges (general college education), Engineering, Technical and Architectural colleges, Medical colleges, Teachers Training colleges, Polytechnics, Others (Law, Management, etc.), apart from education directly delivered by Universities, Institutions of National Repute (such as National Institutes of Technology), and Research Institutions. Technical and vocational courses in higher education play a significant role in this context. Therefore, a close introspection of the trend of technical and vocational courses in higher education is essential, not only for making them attractive, but also in shaping them to be economically and socially (Rena, 2004). The Government is investing heavily on human resources development in the conviction that among its best resources are its people. Obviously, the courses in technical and vocational education are considered as utility oriented subjects?

The following tables illustrate the number of institutions available and the enrolment at various Streams of Higher Education:

Table 4: No. of Institutes in Higher Education in India

a) Universities and other Institutions

Institution	No. of Institution
University	236
Deemed University	101
Institutes of National Importance	13
Research Institutions	140

b) Higher Education Institutions

Institution	No. of Institution
Arts, Science, and Commerce Colleges	11,698
Engineering, Technical, and Architecture Colleges	1,562
Medical Colleges, Dental and Pharmacy	2,053
Teacher Training Colleges	1,669
Polytechnics	1,274
Others (Law, Management, etc.)	2,513

Source : Selected Educational Statistics-2005-06, MHRD, IMaCS analysis

Table: 4 a) and b) show the total enrolment in different years of study in Higher Education in India is about 14.3 million students. It should be noted that Diploma Polytechnics are also categorized under Higher Education.

6. Role of HRD and Different Government Schemes

Human Resource Development (HRD) can be understand in dissimilar ways: HRD in its broadest sense is an all broad concept, referring to the procedure of 'rising knowledge, skills and capacities of all citizens in a society' (Tseggai, 1999: 216), encircling in profitable terms the accumulation of human capital, in political terms preparing natives for participation in democratic political processes, and in social and cultural terms helping people to lead fuller lives, less bound by custom (Tseggai, 1999). The leading human capital theory has, however, narrowed HRD down to its economic aspects, or its human capital constituent (World Bank, 1995). HRD is undergoing an evolutionary transition. While it has arguably retained some of its roots in the disciplines of training, development and education.

The country's most valuable asset is its people and the social solidarity present in society, a society characterized by a high sense of community as well as a strong commitment to development (World Bank, 1994). Furthermore, it is intended to produce a society that is equipped with the necessary skills to function with a culture of self-reliance in the modern economy. The education system is also planned to encourage private sector schooling, equal access for all groups (i.e. prevent gender discrimination, prevent ethnic discrimination, prevent class discrimination, etc.) and promote ongoing education through formal and informal systems.

Barriers to education in India include: traditional values, school fees (for registration and materials), the opportunity costs of low-income households, most institutions are still in the process of renovation and

expansion? and lack of professionals to run the existing institutions properly is a serious drawback in the country (Rena, 2005c). Therefore, the main plan in developing its qualitative human resources in the country, at present, the majority of secondary education takes place in the academic line, so a first step is to have more technical and vocational secondary education. As far as higher education is concerned, after secondary school, students are supposed to go to junior colleges and only a very small number of students would go to the University for their Degree (Muller, 2004).

7. Government Schemes for Primary Education

- **The Sarva Shiksha Abhiyan (SSA)** is intended for the enlargement and growth mainly in the primary education. The aim of this flagship program was to attain universalization of primary schooling at an acceptable level by 2010.

- **Scheme of Infrastructure Development in Minority Institutions (IDMI)** has been operationalised to augment infrastructure in private aided/unaided minority schools/ institutions in order to enhance quality of education to minority children.

- **Programme for Nutritional Support to Primary Education (NP-NSPE)** commonly known as the Mid-Day Meal Scheme (MDMS) was launched as a Centrally Sponsored Scheme on 15th August 1995 covering all children studying in Classes I-VIII.

- **The District Education Revitalization Programme (DERP)** was launched in 1994 with an aim to universalize primary education in India by reforming and vitalizing the existing primary education system.

8. Adult and Women Education

- **Saakshar Bharat** was launched in 8th September, 2009 aiming to accelerate Adult Education, especially for women in the age group of 15 years and above. It targets to raise literacy rate to 80 per cent by 2012 and reduce gender gap to half by the same period.

- **National Programme for Education of Girls at Elementary Level (NPEGEL)** is implemented in educationally backward blocks (EBB)

- **Kasturba Gandhi Balika Vidyalaya (KGBV)** provides for setting up residential upper primary schools for girls from SC, ST, OBC and Muslim communities.

- The Mahila Samakhya scheme was started in 1989 to translate the goals enshrined in the NPE into a concrete programme for the education and empowerment of women in rural areas particularly those from socially and economically marginalized groups.

9. Secondary Education

Secondary education covers children with age of 14-18 years. One of the features of India's

Secondary school system is its emphasis on profession based vocational training to help students

Attain skills for finding a vocation of his/her choosing.

- **Rashtriya Madhyamik Shiksha Abhiyan (RMSA)** launched in March, 2009 is the flagship programme in secondary education for universalizing access to secondary education and improving its quality, while ensuring equity.

- **The Information and Communication Technology (ICT) in Schools Scheme** was launched in December, 2004 to provide opportunities to build their capacity on ICT skills. A Centrally Sponsored Scheme called "Incentive to Girls for Secondary Education" was launched in 2008-09.

- **The Centrally Sponsored Scheme of Vocationalisation of Secondary Education** provides for diversification of educational opportunities so as to enhance individual employability, reduce the mismatch between demand and supply of skilled manpower and provides an alternative for those pursuing higher education.

- **The scheme of Kendriya Vidyalaya Sangathan (KVS)** was approved by Government of India in November 1962 to provide uninterrupted education to the wards of the transferable Central Government employees.

- **Residential Navodaya Schools** were set up with an aim of providing excellence coupled with equity and social justice.

- National Institute of Open Schooling (NIOS) was initiated as a project in 1979 under the Central Board of Secondary Education. It has approximately 1.6 million Learners on roll emerged as the largest Open Schooling organization in the world. 14 lakh students are enrolled at the secondary and higher secondary level through open and distance learning

10. Higher Education

India's higher education system is the third largest in the world, after China and the United States. The main governing body at the tertiary level is the University Grants Commission (UGC), which enforces its standards, advises the government, and helps coordinate between the centre and the state. The other important policy initiatives in higher education are programmes for general development of universities and colleges; special grants for the construction of hostels for women; scholarships to students, scheme to provide interest subsidy on educational loans for professional courses

Initiatives Suspended

Due to shortage of resources and lack of political will, this system suffers from massive gaps including high pupil to teacher ratios, shortage of infrastructure and poor levels of teacher training. Enrollment has been enhanced, but the levels of quality remain low. Following are the challenges faced by HRD in education system:

- **Poverty Reduction and Economic Growth.**

Education is a key element of the government's strategy to reduce poverty. Weak system capacity, including inadequate physical infrastructure, insufficient numbers and untrained teachers, and limited management capacity for service delivery, has been one of the key factors responsible for unsatisfactory education sector performance, reflected in low enrollment ratios and poor education quality.

- **Primary and Secondary Education: Access, Quality and Literacy**

Despite efforts to incorporate all sections of the

population into the Indian education system, through mechanisms such as positive discrimination and non formal education, large numbers of young people are still without schooling. Although enrolment in primary education has increased, it is estimated that at least 35 million, and possibly as many as 60 million, children aged 6-14 years are not in school. Dreze and Sen argue that the 1991 census indicated that about half of the adult populations were unable to read or write. Unsurprisingly, literacy rates vary widely between states, and between genders.

- **Funding and Higher Education**

Under the Constitution, responsibility for education is shared between central and state governments. The central government sets policy, stimulates innovation and plans frameworks. The state governments are responsible for running the education system on the ground. This has exacerbated problems since states have differing resources to allocate to education.

- **Education in Private Sector**

According to current estimates, 80 per cent of all schools, are government schools making the government the major provider of education. However, because of poor quality of public education, 27 percent of Indian children are privately educated. The pupil teacher ratios are much better in private schools (1:31 to 1:37 for government schools) and more teachers in private schools are female.

- **Technical and Professional Education**

The major challenges before the technical education system are one of access, equity and inclusion. Another area of concern is the inadequate availability of faculty both in terms of quality and in numbers. Promotion of R&D efforts, improvement in employability of trained graduates and postgraduates coming out of the technical institutes, are some of the areas where efforts are required.

- **Secondary Education**

Government will need to expand the supply of secondary school teachers very significantly, invest large resources

in school buildings and in the preparation and distribution of education materials. Great innovation is needed in thinking about how all this is to be done, and how the large resources needed will be generated and invested efficiently and responsibly.

11. Recommendations

Skill Requirements for Principal, Teachers and Trainers

Principal

- Principal is responsible for the overall functioning of the institution. They have the ability to hire qualified teachers and to handle the required legal aspects related to the institution - complaints, audits, reviews, formulate strategic plans for building infrastructure for the Institution They are talented to coordinate with the external authorities / government officials and liaison with them and also ensure the safety of students and maintain the discipline inside the campus.

Head of the Department

- Responsible for the overall functioning of the department and for allocating work to faculty / teachers/ trainers they have to prepare the timetable for various theoretical and practical sessions. He / she have to ensure adequate quality of teaching and pass percentage. HOD facilitate industrial visits, handle classes, report to the Principal periodically, on the performance of the students and assist the principal in identifying qualified faculties / teachers.

Teachers /Professors /Lecturers

- Teachers /Professors /Lecturers must have an adequate knowledge of principles of teaching and strong theoretical knowledge of subject. They have the ability to communicate the knowledge of the subjects to students in a manner that can be understood and knack to deliver the content in a simple way to facilitate understanding. Good communication skills and Ability to empathize with students.

Source: Authors

12. Conclusion

The development of relevant HRD policies must rely on well researched and studied, needs assessment of all

sectors of the economy. Education, therefore, place the most vital role in developing the country's intellectual and creative power. Education is viewed as a strategic toll for development? Therefore the content of the educational system is to be reviewed carefully and thus develop the human resources. It depends largely on the technicians and professionals from abroad. Thus, the education system must be geared up not only at raising the general, social and scientific knowledge of the individual but is must also equip the individual with skills that would enable one to lead a productive sustainable life.

Implementation of the Government Plan, however, will not be a straightforward undertaking. There will be a constant need for careful monitoring in order to systematize learning by doing, and to adapt the plan to changing circumstances and events. The sequencing, pace and phasing of implementation will, to a large extent, be determined by the development of increased management capacities at all levels of the education system and by the availability of the necessary financial resources. It will also be greatly influenced by the overall socio-economic development of the country, political will to adhere to such a long-term planning process, the involvement of all the people to change the existing educational culture, and above all, the commitment of all stakeholders to support the priority elements of the plan in a predictable and sustained way.

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Review of Health Insurance in Different Countries

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ABSTRACT

Insurance involves pooling of funds from many insured entities (known as exposures) to pay for the losses that some may incur. The insured entities are therefore protected from risk for a fee, with the fee being dependent upon the frequency and severity of the event occurring. Health is increasingly viewed not only as an 'end' in itself but also as a crucial 'input' into the development process. Indeed a positive link between health and economic growth is widely established. Health security is increasingly being organised as an essence or necessity for life. Beyond the economic relief of being able to afford the healthcare we need, having health insurance is often the difference between living one's life with a feeling of security versus tempting fate on a daily basis. Health insurance is a cornerstone of a family's economic stability. For most of us, having health insurance gives us the confidence to live our lives free of all the worries. This research attempts to understand the concept of health insurance and its effect on the country, analyse various effective schemes introduced by health insurance companies, to review health insurance policies or schemes all over the world and provide review about the latest status of health insurance policy in the country.

Key words: Health Care Spending, Health Schemes, Cost Comparison, Benefits Available etc.

1. Introduction

Insurance involves pooling of funds from many insured entities (known as exposures) to pay for the losses that some may incur. The insured entities are therefore protected from risk for a fee, with the fee being dependent upon the frequency and severity of the event occurring. Insurance is basically an arrangement by which a company or a state undertakes to provide guarantee of compensation for specified loss, damage, illness, or death in return for payment of a specified premium. Health is increasingly viewed not only as an 'end' in itself but also as a crucial 'input' into the development process. Indeed a positive link between health and economic growth is widely established. Health security is increasingly being organised as an essence or necessity for life.

Beyond the economic relief of being able to afford the healthcare we need, having health insurance is often the difference between living one's life with a feeling of security versus tempting fate on a daily basis. Health insurance is a cornerstone of a family's economic stability. For most of us, having health insurance gives us the confidence to live our lives free of worry. When a company insures an individual entity, there are basic legal requirements. Several commonly cited legal principles of insurance include:

a-Indemnity - the insurance company indemnifies, or compensates, the insured in the case of certain losses only up to the insured's interest.

b- Benefit insurance - as it is stated in the study books of The Chartered Insurance Institute, the insurance company doesn't have the right of recovery from the party who caused the injury and is to compensate the Insured regardless of the fact that Insured had already sued the negligent party for the damages (for example, personal accident insurance)

c- Insurable interest - the insured typically must directly suffer from the loss. Insurable interest must exist

whether property insurance or insurance on a person is involved. The concept requires that the insured have a "stake" in the loss or damage to the life or property insured. What that 'stake' is will be determined by the kind of insurance involved and the nature of the property ownership or relationship between the persons. The requirement of an insurable interest is what distinguishes insurance from gambling.

d- Utmost good faith - (Uberrima fides) the insured and the insurer are bound by a good faith bond of honesty and fairness. Material facts must be disclosed.

e- Contribution - insurers which have similar obligations to the insured contribute in the indemnification, according to some method.

f- Subrogation - the insurance company acquires legal rights to pursue recoveries on behalf of the insured; for example, the insurer may sue those liable for the insured's loss. The Insurers can waive their subrogation rights by using the special clauses.

g- Causa Proxima, or Proximate Cause - the cause of loss (the peril) must be covered under the insuring agreement of the policy, and the dominant cause must not be excluded

h- Mitigation - In case of any loss or casualty, the asset owner must attempt to keep loss to a minimum, as if the asset was not insured.

2. Societal Effects

Insurance can have various effects on society through the way that it changes who bears the cost of losses and damage. On one hand it can increase fraud; on the other, it can help societies and individuals prepare for catastrophes and mitigate the effects of catastrophes on both households and societies.

Insurance can influence the probability of losses through moral hazards, insurance frauds, and preventive steps by the insurance company. Insurance scholars have typically used moral hazard to refer to the increased losses due to unintentional carelessness and moral

hazard to refer to increased risk due to intentional carelessness or indifference. Insurers attempt to address carelessness through inspections, policy provisions requiring certain types of maintenance, and possible discounts for loss mitigation efforts. While in theory insurers could encourage investment in loss reduction, some commentators have argued that in practice insurers had historically not aggressively pursued loss control measures-particularly to prevent disaster losses such as hurricanes-because of concerns over rate reductions and legal battles. However, since about 1996 insurers have begun to take a more active role in loss mitigation, such as through building codes.

3. Emerging Scenario

What then, can we conclude about the prospects of health care in India in 2020? An optimistic scenario will be premised on an average 8 percent rate of economic growth during this decade and 10 percent, per annum thereafter- If so, what would be the major fall out in terms of results on the health scene? Fair financing of the costs of health care, is an issue in equity and it has two aspects how much is spent by Government on publicly funded health care and on what aspects? And secondly how huge does the burden of treatment fall on the poor seeking health care? Health spending in India at 6 percent of GDP is among the highest levels estimated for developing countries. In per capita terms, it is higher than in China Indonesia and most African countries but lower than in Thailand. Even on \$PPP terms, India has been a relatively high spender information sheets, based on reporting from a network associating private doctors also as has been done successfully at CMC Vellore in their rural health projects or by the Khoj Projects of the Voluntary Health Association of India. It is only through such community based approach that revitalization of indigenous medicines can be done and people trained in self care and accept responsibility for their own health.

Having health insurance is important because coverage

helps people get timely medical care and improves their lives and health. Some may believe that people always have access to medical care because they can always go to an emergency room. But even in the areas with well supported safety net care do not remove barriers to access to the same extent as does having health insurance. "Coverage matters," concluded the Institute of Medicine (IOM) during a recent multiyear appraisal. Indeed, the prestigious IOM estimated that lack of coverage was associated with about 18,000 extra deaths per year among uninsured adults. "Having health coverage is associated with better health-related outcomes". Health Insurance is an arrangement by which a company or a state undertakes to provide guarantee of compensation for specified health diseases, illness, or death in return for payment of a specified premium.

4. Literature Review of Health Insurance in Developed Countries

Health Insurance in USA

Health Insurance Overview

Health care is expensive and few individuals can afford to pay the full costs. Having health insurance allows you to get the treatment, you need without incurring huge medical bills. Most Americans have private health insurance or participate in public programs, such as Medicare or Medicaid, but many Americans are uninsured due to finances and/or pre-existing conditions. Generally, you can only buy Marketplace health insurance during open enrollment, but you may still be able to get health insurance if you qualify for a special enrollment period.

How to Appeal a Health Insurance Claim

If your health insurer has denied coverage for medical care you received, you have the right to appeal the claim, and ask that the company reverse that decision. You can be your own health care advocate. Follow these five steps:

1. Review your policy and explanation of benefits.

2. Contact your insurer and keep detailed records of your contacts (copies of letters, time and date of conversations).
3. Request documentation from your doctor or employer to support your case.
4. Write a formal complaint letter explaining what care was denied and why you are appealing through use of the company's internal review process.

5. If the internal appeal is not granted through step four, file a claim with your state's insurance department.

Health Insurance in Europe

Healthcare in Europe is provided through a wide range of different systems run at the national level. The systems are primarily publicly funded through taxation (universal health care). Private funding for health care may represent personal contributions towards meeting the non-taxpayer refunded portion of health care or may reflect totally private (non-subsidized) health care either paid out of pocket or met by some form of personal or employer funded insurance. All EU and many other European countries offer their citizens a European Health Insurance Card which, on a reciprocal basis, provides insurance for emergency medical treatment insurance when visiting other participating European countries. It will cover you for treatment that is needed to allow you to continue your stay until your planned return. It also covers you for treatment of pre-existing medical conditions and for routine maternity care, as long as you're not birth. The EHIC is valid in all European Economic Area (EEA) countries, including Switzerland. [5]

Health Insurance in Canada

Health care in Canada is delivered through a publicly funded health care system, which is mostly free at the point of use and has most services provided by private entities. It is guided by the provisions of the Canada Health Act of 1984. The government assures the quality

of care through federal standards. The government does not participate in day-to-day care or collect any information about an individual's health, which remains confidential between a person and his or her physician. Canada's provincially based Medicare systems are cost-effective partly because of their administrative simplicity. In each province each doctor handles the insurance claim against the provincial insurer. There is no need for the person who accesses health care to be involved in billing and reclaim. Private health expenditure accounts for 30 percent of health care financing. A health card is issued by the Provincial Ministry of Health to each individual who enrolls for the program and everyone receives the same level of care. There is no need for a variety of plans because virtually all essential basic care is covered, including maternity.

Health Insurance in Developing Countries

Health Insurance in Thailand

In health matters, Thailand is generally less expensive than Europe. In many Thai insurance contracts, it is especially pointed out that the renewal of the contract is guaranteed up to 70 years old. There is of course, the danger that the contract will not be extended once you reach this age. However, there are now Thai insurance companies e.g. NSI, which offer an extensive insurance protection with a lifelong protection warranty which do, however, incur more expensive rates.

The advantage of holding a Thai insurance policy is surely that the hospitals can account for all resulting costs very simply and directly with the insurer.

Health Insurance in Brazil

Though covered by the Unified Health System (Sistema Único de Saúde /SUS), many foreign residents opt for a private health insurance (planos de segurosaúde). Generally expatriate employees are insured through their employer's health insurance.

A number of Brazilian and international companies offer a wide range of health insurance packages. Some

Brazilian banks, for example Bradesco and Unibanco, also offer health insurance. Many Brazilian companies offer health insurance as part of a life insurance package (segurovida), so it is best to check the policy carefully if only health insurance is required.

The following documents are required to obtain health insurance:

- Passport
- Foreigner's identity number (Registro Nacional De Estrangeiro / RNE)
- Individual Tax Payers Number (Cadastro de Pessoa Física / CPF)

There are some benefits available to foreigners in Brazil.

- Sickness and injury benefit
- Maternity benefit
- Invalidity benefit
- Survivor/death benefit
- Unemployment benefit.

5. Research Objectives of the Study:

1. To understand the concept of health insurance and its effect on the country.
2. To analyse various effective schemes introduced by health insurance companies.
3. To review health insurance policies or schemes all over the world.
4. To provide review about the latest status of health insurance policy in the country.

Research Design:

The study comprises review of work done in the area of health insurance with the help of available literature through Journals, Technical Reports, Unpublished Reports, Web-sites etc. Descriptive research is used to obtain information concerning the current status of the phenomena and to describe 'what exists' with respect to variables or conditions in a situation. Further, Case Study Design was also used. A case study is an in-depth study of a particular research problem rather than a sweeping statistical survey. It is often used to narrow down a very

broad field of research into one or a few easily researchable examples. Last but not the least historical design was needed for clarifying roots of the subject. The purpose of a historical research design is to collect, verify, and synthesize evidence from the past to establish facts that defend your hypothesis.

Data Analysis

The analysis was done using the statistical tools like averages and percentages and with the help of different graphs and charts. This technique was used comparing the charts on analytical basis.

Health insurance in India is a growing segment of India's economy. In 2011, 3.9 per cent of India's gross domestic product was spent in the health sector. According to the World Health Organisation (WHO), this is among the lowest of the BRICS (Brazil, Russia, India, China, South Africa) economies. Policies are available that offer both individual and family cover.

6. History

Launched in 1986, the health insurance industry has grown significantly mainly due to liberalization of economy and general awareness. By 2010, more than 25 percent of India's population had access to some form of health insurance. There are standalone health insurers along with government sponsored health insurance providers. Until recently, to improve the awareness and reduce the procrastination for buying health insurance, the General Insurance Corporation of India and the Insurance Regulatory and Development Authority (IRDA) had launched an awareness campaign for all segments of the population.

Types of Health Insurance:

The simplest form of health insurance is the Individual Mediciclaim Policy. It covers the hospitalization expenses for an individual for up to the sum assured limit. The premium is dependent on the sum assured. It is a cover which takes care of medical expenses following Hospitalization / Domiciliary Hospitalization of the

insured in case of sudden illness, accident and any surgery which is required in respect of any disease which has arisen during the policy period.

Family Floater Policy: Family Floater Policy is an enhanced version of the mediclaim policy. The policy covers each family member and the entire family's expenses are covered up to the sum assured limit. The family floater plan's premium is less than the separate insurance cover for each family member.

Unit Linked Health Plans: Health Insurance Companies have introduced Unit Linked Health Plans which combine health insurance with investment and pay back an amount at the end of the insurance term. The returns are dependent on market performance. These plans are new and still in development phase.

Health Insurance Companies in India

- Apollo DKV Insurance Company Ltd.
- Aviva Life Insurance
- Bajaj Allianz General Insurance Co. Ltd.
- Birla Sun Life Insurance
- E-Meditek Solutions Limited
- Family Health Plan Limited
- Health India-Bhaichand Amoluk Insurance Services Pvt. Ltd.

Insurance Regulatory and Development Authority (IRDA)

Insurance Regulatory and Development Authority (IRDA) is an autonomous apex statutory body which regulates and develops the insurance industry in India. It was constituted by a Parliament of India act called Insurance Regulatory and Development Authority Act, 1999 and duly passed by the Government of India. The agency operates from its headquarters at Hyderabad, Andhra Pradesh where it shifted from Delhi in 2001. IRDA battled for a hike in the Foreign Direct Investment (FDI) limit to 49 per cent in the insurance sector from the erstwhile 26 per cent. The FDI limit in insurance sector was raised to 49 percent in July 2013.

Insurance Repository

Recently, the Finance Minister of India announced the setting of insurance repository system. An Insurance Repository is a facility to help policy holders buy and keep insurance policies in electronic form, rather than as a paper document. Insurance Repositories, like Share Depositories or Mutual Fund Transfer Agencies, will hold electr