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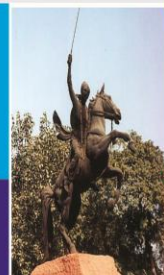
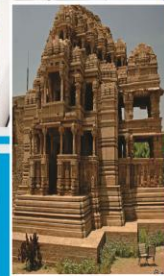
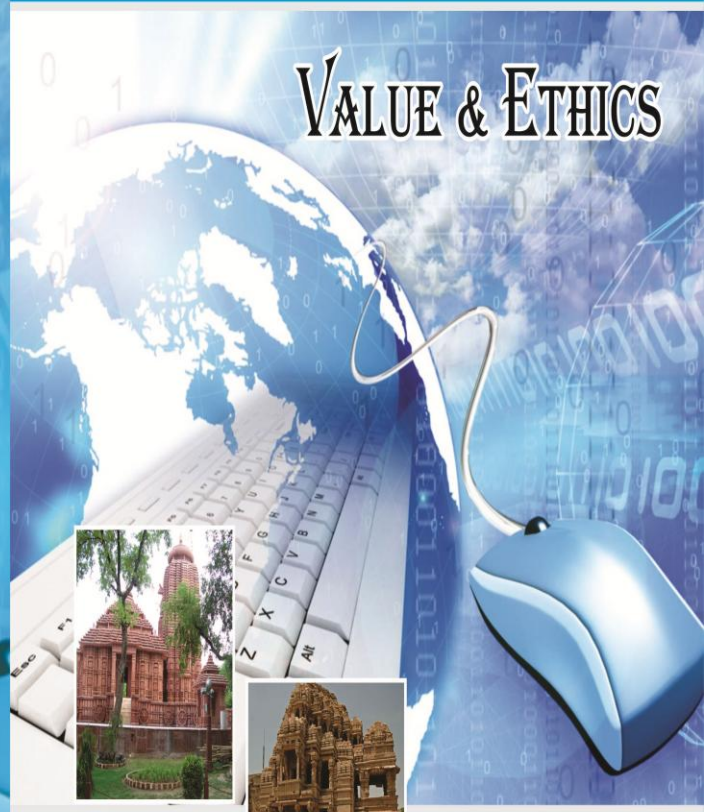
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# Journal of Management

## VALUE & ETHICS



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Journal inaugurated by Shri Shivraj Singh Chauhan, Chief Minister of M.P., Shri Jayprakash Rajoria, Vice-Chairman, Madhya Pradesh Pathya Pustak Nigam and Dr. P.S. Bhadouria-Editor-in-Chief



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## Message

*Editor in Chief / Managing Editor*



*Dear friends,*

*Innovation through research is and continues process to achieve something new in any field of their interest. Today, Day by Day the fields of Science & Management are going stronger, because new innovative ideas are coming in the society. Our Government also focusing on research based education; therefore, AICTE and UGC have designed mostly new courses which are fully research based. Those who are doing PhD or working in the Academic line, they are compulsory to public their research papers during academic or research period. The concept of getting appropriate job in any field is tough without research, because without practical knowledge it may not lead you towards top an organization. Degree has not sufficient support for getting good job. Management education have a wide field of job opportunity for example Retail, Tourism, Hospitality, Event Management, Import and export, HRM, Finance, Marketing, Advertising, Accounting, Aviation, IT etc. The objective of our Journal is that how most of the research scholars and academicians joint hand with our renowned Journal because it is first journal of the north India which has made their value in a very short span. Our renowned reviewers analysis best research papers for publication, sothat our Journal can maintain their impact in the research field. Hope we will come together with us as a new research persons for carrying on our mission and achieving goal.*

*With best wishes to all our readers, scholars and academicians.*

*Yours truly,*

**(Dr. P.S. Bhadouria)**

## **A STUDY ON IMPACT OF TOURISM ON WOMEN WITH SPECIAL REFERENCE TO CHANGING SOCIO – ECONOMIC SCENARIO**

**\*Mrs. Poonam Deshprabhu - Sadekar**

---

### **ABSTRACT**

Tourism is a major force in the economy of the world, an activity of global importance. The very nature of tourism is fragmented; it's a diverse product, spread over many industries and comprising both intangible and tangible elements. Tourism is projected as a labour-intensive industry that has a multiplier effect on employment and income. Employment is created in sectors both directly and indirectly related to tourism.

The economy of India is to an extent dependant on tourism. The workforce though was basically male dominated. The female contribution was prominent in unskilled and low paid jobs. But with time, education and changes in society the women workforce is shouldering responsibility in all aspects. The tourism sector has already demonstrated its potential for carving out jobs and creating income-generating activities for women to benefit local communities in destination areas. The tourism industry employs a high proportion of women and creates micro-enterprise opportunities for them. It promotes women's mobility and provides opportunities for social networking.

Goa is a tiny emerald state on the west coast of India. Today, the contribution of the tourism sector to the economy of Goa in SDP terms has overtaken to mining. Tourism is largely perceived as an engine for economic growth of this state. With relevance to this, a specialized degree course, Bachelor in Tourism and Travel Management was started in the year 2006. This paper aims to study the socio-economic impact of tourism on women in the state of Goa. Primary data was collected through a structured questionnaire method. The areas of concentration were the graduated students from St. Xavier's College, Mapusa and Don Bosco College, Panjim. An attempt has been made to look into the prospects of these female students, their area of interest and absorption in the field of tourism.

**Key words:** Intangible, Labour – intensive, contribution, social networking.

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\* Course Co-ordinator / Asst.Professor, Dept. of Bachelor of Business Administration (Tourism & Travel) St. Xavier College, Mapusa, Goa

## **INTRODUCTION**

### **India and Tourism:**

Tourism is one of the oldest areas of economic activity covered under the WTO's General Agreement on Trade in Services (GATS) (Williams M., April 2002). Tourism has become a popular global leisure activity. It is one of the major social and economic phenomena of modern times (Sharpley R., 2002). Tourism in India is the largest service industry, with a contribution of 6.23% to the national GDP and 8.78% of the total employment in India. India's tourism industry is experiencing a strong period of growth, driven by the burgeoning Indian middle class, growth in high spending foreign tourists, and coordinated government campaigns to promote 'Incredible India'. The country is fast becoming a major global destination. India's travel and tourism industry is one of them most profitable industries in the country, and also credited with contributing a substantial amount of foreign exchange. The majority of foreign tourists come from USA, UK, South Korea and Canada. October to February is considered to be the peak season for travel by foreigners for business as well as leisure purposes.

India's rich history and its cultural and geographical diversity make its international tourism appeal large and diverse. It presents heritage and cultural tourism along with medical, business and sports tourism ([www.tourisminindia](http://www.tourisminindia) -Wikipedia). Some of the steps taken to boost tourism include the integrated development of tourist infrastructure at tourist circuits and destinations, growth of hotel infrastructure, particularly budget hotels, augmentation of air capacity, enhancing availability of skilled manpower, according greater focus to emerging markets, particularly China, North-East Asia and South-East Asia and international publicity campaigns through the electronic and print media. The facility of long-term multiple entry visas of five-year duration has been introduced for nationals of 18 countries. The long-term visa would carry stay stipulation of 90 days on each visit.

Tourism, in common with most personal service industries is labour-intensive. For developing countries with surplus labour and for industrialised countries with high level of unemployment, tourism provides an effective means of generating employment opportunities (Cooper C., et al, 2008). Employment is created in sectors both directly and indirectly related to tourism. Tourism Industry provides employment to about 2 crores of people in India. Almost 20 million people are now working in the India's tourism industry. Earnings from tourism occupy an important place in the national income of a country. The flow of money generated by tourist spending multiplies as it passes through various sections of the economy through the operation of the multiplier effect (Bhatia A.K., 2006). Tourism not only creates jobs in the tertiary sector, it also encourages growth in the primary and secondary sectors of industry.



**INDIA AND EDUCATION:**

Education in India is provided by the public sector as well as the private sector, with control and funding coming from three levels: federal, state, and local. The education of women in India plays a significant role in improving living standards in the country. A higher women literacy rate improves the quality of life both at home and outside of home. To know development in a society, Literacy is another proper indicator of economic development is 74.04 %. It consists of male literacy rate 82.14% and female literacy rate is 65.46%.

**TOURISM AND WOMEN:**

Tourism does provide a range of activities where women can participate and also creates opportunities for entrepreneurship development. Global data on numbers of women and men working in tourism-related professions suggests that the organised tourism sector is a particularly important sector where 46 % of the workforce comprises women (in general, 30-40% of the workforce is women) (ILO 2007). Of the data available for the years between 1988 and 2005, it appears that there has been a broad increase in the participation of women in the tourism industry at a global level. The formal sector where employment takes place are travel agencies, tour operators, airlines, foreign exchange, guides, hotel industry, transport sector, travel magazines, event management and entertainment businesses. Though, the male dominate most of the formal sector.

Women dominate in the informal sectors where they provide a wide range of services to tourists (Williams M., April 2002). The role of women in informal tourism settings such as running home-stay facilities, restaurants and shacks, crafts and handicrafts, handloom, small shops and street vending is significant (Equations, Sept 2007). But with time, education and changes in society the women workforce is shouldering responsibility in all major aspects in tourism from planning policies, execution to sales and marketing.

**Objectives**

The study had been undertaken with certain objectives in view:

1. To specify details regarding the enrollment of the students to the specialised course in tourism in Goa,
2. To identify their area of interest for jobs and
3. % of students getting jobs after graduation in various fields.

**Methodology**

Primary data was collected by an interview through structured questionnaire to the graduated batches of the 2 colleges - St. Xavier's College, Mapusa and Don Bosco College, Panjim.



### Limitations of the Study

The area of study is limited to the 2 colleges –

St. Xavier's College, Mapusa and Don Bosco College, Panjim in the state of Goa only.

### GOA – AREA OF STUDY

#### Goa As A Tourist Destination

Goa is India's smallest state by area and the fourth smallest by population. Located in West India in the region known as the Konkan, it is bounded by the state of Maharashtra to the north, and by Karnataka to the east and south, while the Arabian Sea forms its western coast. Goa is India's richest state with a GDP per capita two and a half times that of the country as a whole. Goa is a former Portuguese colony, the Portuguese overseas territory of Portuguese India existed for about 451 years until it was annexed by India in 1961. Renowned for its beaches, places of worship and world heritage architecture, Goa is visited by large numbers of international and domestic tourists each year. It also has rich flora and fauna, owing to its location on the Western Ghats range, which is classified as a biodiversity hotspot.

The Economic Survey 2003-04 of the Government of Goa states that, "Though Goa is a very small state both in terms of area and population; it contributes significantly to the national exchequer. Goa receives over 10% of foreign tourists visiting the country and 15% of the nation's foreign exchange earnings from tourism are generated in Goa annually." Goa has two main tourist seasons: winter and summer. In the winter time, tourists from abroad (mainly Europe) come to Goa to enjoy the climate. In the summer time (which, in Goa, is the rainy season), tourists from across India come to spend the holidays ([www.goa](http://www.goa-wikipedia.org) –Wikipedia).

#### EDUCATION IN GOA

Colleges in Goa are affiliated to Goa University which is the only university in this state which was formed under Goa University Act 1984 is accredited to National Assessment and Accreditation Council (NAAC). Goa is home for famous colleges, which are administered by private as well as Government. The programs offered by Colleges in Goa are undergraduate, post graduate, Ph.D as well as Diploma, both technical and general courses.

Tourism is largely perceived as an engine for economic growth of this state. With relevance to this, a specialized degree course, Bachelor in Tourism and Travel Management was started in the year 2006 affiliated to Goa University.

**LITERACY IN GOA**

State	Literacy Rate (2011 Census)	Male Literacy Rate (2011 Census)	Female Literacy Rate (2011 Census)
Goa	87.4%	92.8%	81.8%

Though the literacy rate in Goa is commendable as per the latest census, according to Goa's Ministry of Labour in 2009, only one-fourth of those employed in the state are women.

**STATISTICS COLLECTED FROM DIRECTORATE OF TOURISM, GOA (DOT) (31.12.2010):**

Average duration of stay of foreign tourist is 09 days & domestic tourist is 05 days.

Total number of hotels registered is 2635 numbers.

Total number of travel agencies registered is 370 numbers.

From the above data it can be summarised that there are a lot of opportunities in the field of tourism and travel in Goa.

**Tourism as a Career for Women:**

Reason to support women workforce joining tourism:

- ◆ Upcoming industry
- ◆ Bright Future
- ◆ Increases mobility
- ◆ No placement problems
- ◆ Micro-enterprise
- ◆ Fit for average students
- ◆ Glamorous – Fulfill dreams
- ◆ Match with the personality
- ◆ Social networking

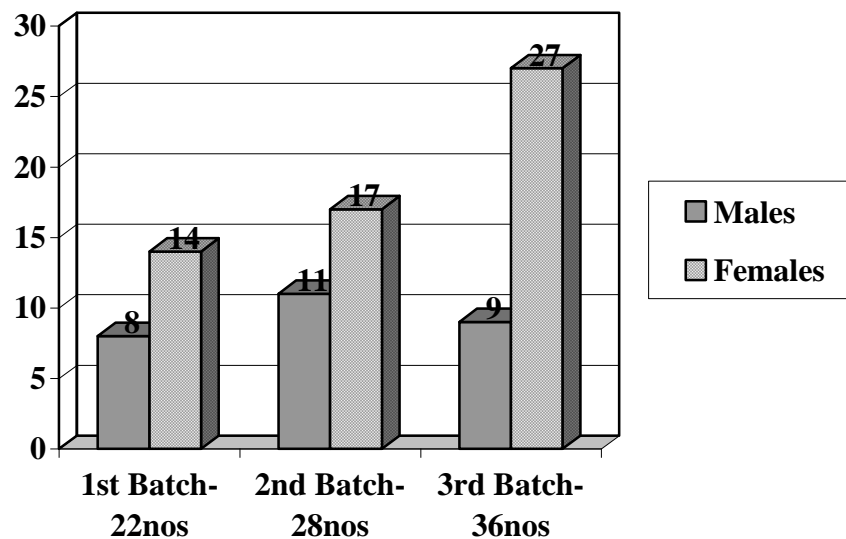
**Findings**

Since Don Bosco College was the first college to start BTM in the year 2006, now it has three batches which have been graduated. St. Xavier's College started in the next consecutive year that is, 2007, it just has two batches which are graduated.

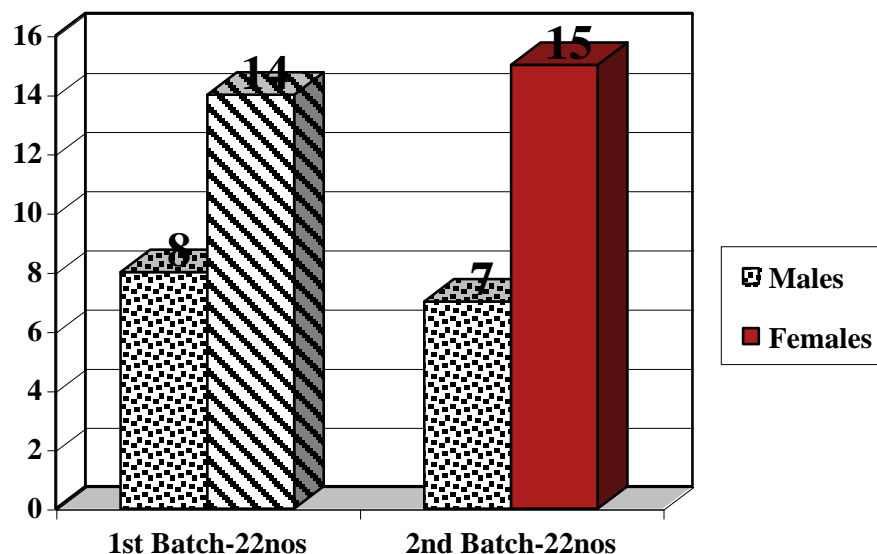
Therefore, it can be summarised as per the chart 7.1 & 7.2 that the female student were very prominent in opting more for this professional course than the male.

Also in terms of job prospects chart 7.3, the female students preferred an office bound job like working in a travel agency with fixed work timings. Hotel industry was the second option, though jobs were seeked in the front office operations like reception, reservation or travel desk

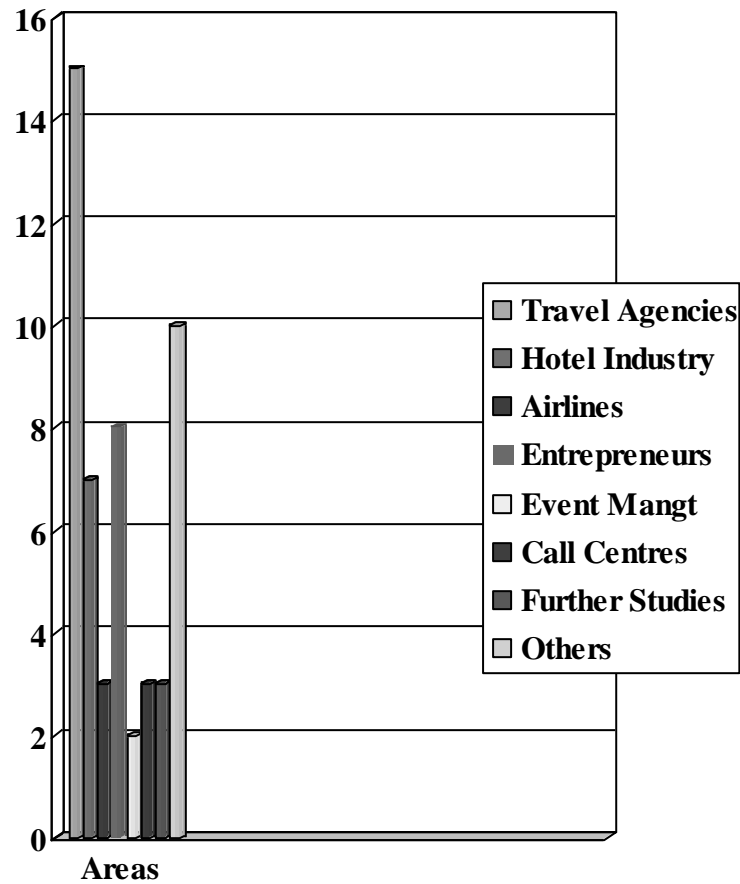
#### STATISTICS - DON BOSCO COLLEGE, PANJIM



#### STATISTICS – ST. XAVIER’S COLLEGE, MAPUSA



## Job Prospects



## Observations

### A. Family

- Not very much comfortable initially while joining the profession
- Required convincing
- Require an broad mindset for motivation

### B. Society

- Consider girls as a modern
- Largely they extend cooperation
- Number of females teacher are increasing day-by-day

### C. Colleagues

- Extend cooperation whole heartedly

- Some emotional attachment/detachment
- Females ratio is on the higher side – during study period

D. Industry

- Low pay master
- Preference and demand for skilled job is now increasing
- Not well organized industry
- Some time undue advantages

E. Customers

- Generally extend cooperation
- Domestic / NRIs sometimes create problems
- Cross cultural problems

**Steps to be taken**

- If women are educated and empowered they will also be a source of income for the family. This will not only raise the standard of living of the family but also the economic condition of the country.
- Promote responsible and value based tourism.
- Social mobilization to sensitize local communities on the need to preserve indigenous cultures.
- Women should be prioritized for receipt of loans to support tourism related micro enterprises such as home stays, tea shops, local lodges, handicraft sales etc
- Shifting the focus to privilege small and micro-enterprise will not only lead to sustainable options, but create more viable spaces for women's engagement in tourism
- The Government should involve private sector, community based organizations, national and international government organizations in sustainable tourism development initiatives.
- There is a strong need to create strong linkages vertically between the central National Tourism Authority, local government and grassroots tourism functional groups; as well as horizontally through the creation of collective village committees, women's groups and savings and investment co-operatives.
- The tourism industry employs a high proportion of women and creates microenterprise opportunities for them.
- It promotes women's mobility and provides opportunities for social networking.



## CONCLUSION

'Tourism is a sector of the economy that not only employs significant numbers of women, but provides enormous opportunities for their advancement.' Indian tourism has vast potential for generating employment and earning large sums of foreign exchange besides giving a fillip to the country's overall economic and social development.

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*The epoch of individuality is concluded,  
and it is the duty of reformers to initiate  
the epoch of association. Collective man  
is omnipotent upon the earth he treads.*

*- Guiseppe Mazzini*

## APPLICABILITY OF OSHA ACT 1970 IN THE HOTELS OF PUNE

\*N.Sapra, J.Patil, P.Bhautik

---

### ABSTRACT

In the present study, a survey was carried out amongst the employees working in the Hotels of Pune City, to find out whether they were trained and were using safe and hygienic procedures while handling equipments. This (OSHA) Occupational safety And Health Administration Act enables the employees of Hotels to follow the safety measures at workplace while doing their respective work in their area and to create healthy and safe working environment. It was found that implementation of this Act and imparting related training motivates the employees to perform their daily duties more actively and give better performance since the employee health and safety standards improve.

Keywords: employee, safety, health.

---

### INTRODUCTION

While the hospitality industry is broad and diverse, organization within it shares something things in common. One is the need for the staff members with a variety of knowledge skills and experience to produce the service that are needed or desired by consumers. Human Resource Management are responsible for recruitment and selection of new employees, administration of wages, salaries and benefits, collective bargaining with unions, job appraisals, **safety and health concern**, equal employment opportunity and public relations. Managers should carefully design and implement the programs that will help to ensure the safety and protection of their workers. While it is certainly good business for managers to ensure the health and safety of workers, it is also a legal requirement that they do so. The passage of the Occupational Safety and Health Act dramatically changed the way HR managers in hospitality, and others industries, viewed their role ensuring that the physical working conditions in their operations met subscribed standards under which workers would do their jobs.(1) Every employer shall ensure the health, safety and welfare at work of all employees. The employer must provide an environment that is safe and without risk to health, with adequate facilities for the work. The employer is to ensure safety and absence of risk to employees when handling dangerous chemicals, lifting any object, storing or transporting any goods concerned with their work, and provide correct training in such operations.(2)

---

\* PG Department of Hospitality and Tourism , LAD & Smt.R.P College for Women, Nagpur.

**OBJECTIVES:**

1. To understand the health and sanitation procedures as a part of OSHA Act.
2. To study the preventive measure while handling the hazardous equipment in food production department of a hotel.
3. To study the views of the employees with respect to actual implementation of OSHA Act 1970 in the hotels of Pune.
4. To understand the role of Human Resource Department for imparting training to the employees.

**MATERIALS AND METHODS**

The study is based on primary data collected by structured questionnaire to the employees in the hotels. Secondary data was gathered by referring books, journals and websites.

**RESULTS AND DISCUSSION****Table 1: Healthy and safe work Environment**

Sr. No	Healthy and safe work environment	Response of Pune hotels	Percentage of Pune Hotels
1.	Yes	38	76
2.	No	0	0
3.	Sometimes	12	24

From the above table & Fig 1 it was found that 76% hotels of Pune provide Healthy and safe working environment to their employees and 24% hotels only sometimes provide the safe and healthy working conditions to their working employees.

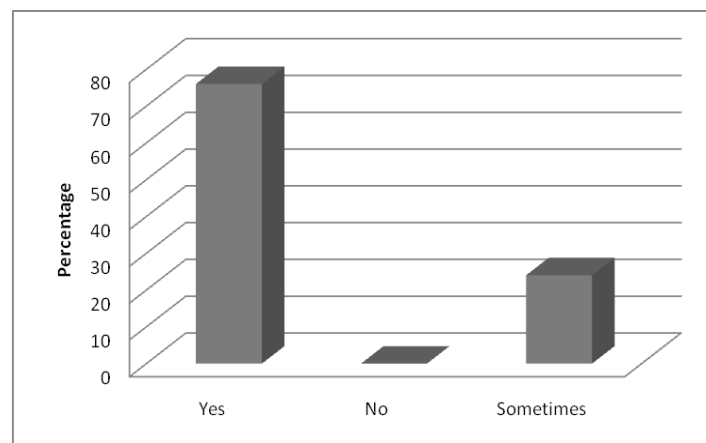
**Figure1: Healthy and safe work Environment**

Table 2: Frequency of Training Session

Sr.No	Frequency of Training Session	Response of Pune Hotels	Percentage of Pune Hotels
1.	Quarterly	30	60
2.	Half- Yearly	20	40
3.	Yearly	0	0

From the above table & Fig 2 it was found that 60% hotels of Pune conduct the training session quarterly for employee's health & safety, 40% hotels conduct session half yearly.

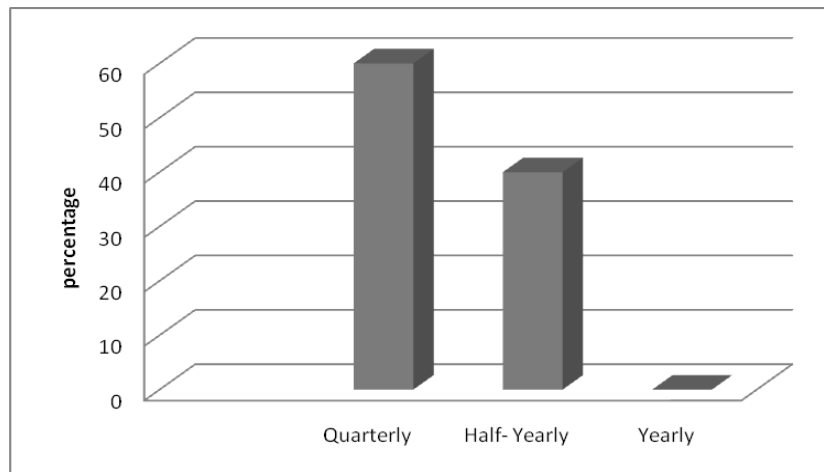


Figure 2: Frequency of Training Session

## CONCLUSION

OSHA takes care of the staff and makes sure that they will not get injured because of their work activities. It also provides a step by step guidance for setting up and running a safety management system that will not only satisfy the legal requirement, but also actually improve the efficiency of the working staff. It also provide samples of form which need to maintain the right paperwork and it is supported by series of **Info Sheets** that provide details about managing the more common hazards and other aspect of OSHA that can that can improve the health and safety standards. The ways workers can prevent certain kinds of accidents such as cuts, burns, and falls is to develop and practice habits that prevent accidents if safety is built into the workplace.(3)

For the Food Production department Osha provides:

- a safe place of work
- a safe system of work
- safe plant, equipment and machinery
- staff training and supervision for the job they are doing
- adequate welfare facilities

For the kitchen staff it provides a personal protection such as wearing personal protective clothing such as gloves, non- slippery shoes, chef coat, apron etc. It was found that OSHA is a guide for the preventive measures while handling the equipment which reduce the accidents of cuts, burns, falls, strains, chemical accidents, electric shocks etc. Preventive measures include wearing the correct uniform, working carefully, paying attention, good lighting, keeping the work area tidy, correct storage with proper shelving. The implementation of OSHA motivates the employees to perform their daily duties more actively and give better performance. The implementation gives knowledge about the OSHA to the employees as well as the health & safety standards.

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## ROLE OF MICRO FINANCE IN ECONOMIC DEVELOPMENT

\*Sumit Agarwal, \*\*Neha Vohra

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### ABSTRACT

(The aim of this paper is to examine what implications microfinance may have for economic growth by exploring the linkages of microfinance, the financial system and economic growth.)

The Economic Development of a country has direct relationship with the economic condition of its citizen. In developing countries like India which is struggling with problems like poverty and unemployment, the microfinance can be the best way to overcome these problems, as it is an important tool for poverty mitigation and economic growth and development.

As widely understood, microfinance is the provision of financial services to low income people and enterprises. Almost half of the world's population lives on less than \$ 2.50 a day and about 90 percent of the people in developing countries lack access to financial services from institutions, either for credit or savings. Microfinance helps in generating income and employment by setting small enterprises and motivating micro entrepreneurs. Currently, microfinance services are available to 100 million of the world's poorest families and that helps to decline in poverty rates over the last three decades. When most of the businesses involved in downsizing their ventures during recession, microfinance clients created jobs every year. 5% of the clients of Bangladesh's Grameen Bank pull themselves out of poverty each year.

Microfinance promotes women empowerment, micro entrepreneurship, and rural development and hence helps to alleviate poverty and unemployment. With the new emphasis now given to micro enterprises, self employment activities and household enterprises, now all considered as essential actors for achieving social and economic development in developed and developing countries, microfinance has become very fashionable and is attracting increased attention.

**Key words:** economic development, entrepreneurship, financial service, microfinance recession, self employment.

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**INTRODUCTION:****Understanding Microfinance:**

Robinson (2001) defines microfinance as “small-scale financial services—primarily credit and savings—provided to people who farm, fish or herd” and adds that it “refers to all types of financial services provided to low-income households and enterprises.”

In India, microfinance is generally understood but not clearly defined. For instance, if an SHG gives a loan for an economic activity, it is seen as microfinance. But if a commercial bank gives a similar loan, it is unlikely that it would be treated as microfinance. In the Indian context there are some value attributes of microfinance:

- Microfinance is an activity undertaken by the alternate sector (NGOs). Therefore, a loan given by a market intermediary to a small borrower is not seen as microfinance. However when an NGO gives a similar loan it is treated as microfinance. It is assumed that microfinance is given with a laudable intention and has institutional and nonexploitative implications. Therefore, we define microfinance not by form but by the intent of the lender.
- Second, microfinance is something done predominantly with the poor. Banks usually do not qualify to be MFOs because they do not predominantly cater to the poor. However, there are both positive and negative views about the regional rural banks (RRBs) and the new local area banks (LABs).
- Third, microfinance grows out of developmental roots. This can be termed the “alternative commercial sector.” MFOs classified under this head are promoted by the alternative sector and target the poor. However these MFOs need not necessarily be developmental in incorporation. There are MFOs that are offshoots of NGOs and are run commercially. There are commercial MFOs promoted by people who have developmental credentials. We do not find commercial organizations having “microfinance business.”
- Last, the Reserve Bank of India (RBI) has defined microfinance by specifying criteria for exempting MFOs from its registration guidelines. This definition is limited to not-for-profit companies and only two MFOs in India qualify to be classified as microfinance companies.

**BIRTH AND GROWTH OF MICRO FINANCE:**

Microfinance has gradually developed to be a worldwide movement, no longer being a subject matter of microfinance practitioners alone. Governments, donors, development agencies, banks, foundations, corporations, business communities, civil societies, researchers, universities,

consultants, philanthropists and others are taking an increasing interest in it. The increasing level of acceptance of microfinance among the various groups of stakeholders worldwide presents the following questions:

- Is microfinance (MF) becoming popular because it is a good business to make money?  
Or
- Is it because MF is a powerful tool to fight poverty?  
Or
- Is it because of both?

***Since the concept was born in Bangladesh almost three decades ago, microfinance has proved its value, in many countries, as a weapon against poverty and hunger. It really can change people's lives for the better, especially the lives of those who need it most.***

This statement by Kofi A. Anan, the UN Secretary General, briefly validates the effectiveness of microfinance as a weapon to eradicate poverty. It has been evidenced worldwide that microfinance helps the poor to overcome poverty, and not through charity. It is a financial system that serves the poor with financial services in a most effective and productive way. Lets further discuss the role of microfinance in development of an economy, its significance and its role in banking sector.

## **ROLE OF MICRO FINANCE IN ECONOMIC DEVELOPMENT**

### **Microfinance is on boom:**

India's microfinance sector is fragmented with more than 3000 microfinance companies (MFIs), NGOs and NGO-MFIs. The top 10 microfinance companies in India are estimated to account for almost 74 per cent of the total loans outstanding. It can be added here that the total loan outstanding of Indian microfinance sector lies between Rs. 160-175 billion. As on March 31, 2009, almost 17 Indian microfinance companies have more Rs. 1 million outstanding loans. The microfinance institutions are growing at a very fast pace. Most of the microfinance institutions have got remarkable success in a very short span of time. In fact, it attracts private investors who seek high profits. The two lists of top microfinance institutions in the world from Mixmarker and Forbes contain a good number of Indian entities. Eight Indian microfinance institutions made it to top 50 in Microfinance Information Exchange (MIX) list with highest rank 4, seven institutions made it to top 50 Forbes list with highest rank 2. According to state of sector report by N. Srinivasan, the outreach and portfolio size of MFIs have been accelerating fast. The clients outreach increased

from 10.047 to 14.1 million over the year 2007–08, recording an impressive growth rate of 39 percent. The loan portfolio outstanding was Rs59.54 billion as at the end of March 2008, representing an increase of 72 percent on a large base, which is remarkable, but a shade lower than the 77 percent growth recorded in the previous year. The growth rate of loans outstanding was 1.8 times that of increase in clientele, indicative of the deepening taking place in the sector. The average loan outstanding per client increased from Rs3,442 to Rs4,222, by 22 percent across all clients. While 80 percent of the clients were women, more than 75 percent of the clients had received loans of less than Rs10,000.

India Microfinance Report 2009 tells us that the portfolio of the micro-finance institutions has grown by 97 per cent, and numbers of beneficiaries have also gone up by 60 per cent. More than 150 million are already borrowing from Micro-finance institutions.

### **ECONOMIC GROWTH AND MICROFINANCE:**

Aggregate income or per capita GDP is measure of economic growth. How can this economic growth be achieved? Or we can ask it in another way i.e. how can we increase aggregate income or how can we increase per capita GDP? (GDP can be determined by product approach, income approach and expenditure approach)

If we take the concept of aggregate income or per capita income, it does not show the true picture of economic development as there is unequal distribution of the income. Growth in aggregate income does not show that the every section of society is growing at same pace.

GDP per capita is not a measurement of the standard of living in an economy. However, it is often used as such an indicator, on the rationale that all citizens would benefit from their country's increased economic production. Similarly, GDP per capita is not a measure of personal income. GDP may increase while incomes for the majority of a country's citizens may even decrease or change disproportionally. GDP is intended to be a measure of particular types of economic activity within a particular country. Nothing about the definition of GDP suggests it is necessarily a measure of standard of living. For instance, in an extreme example, a country which exported 100 per cent of its production and imported nothing would still have a high GDP, but a very poor standard of living. So, economic growth of a country can be achieved through the proportionate growth of income of all citizens.

Now the next question is how to increase the income of citizens? The simple answer is lying in the proverb "Give a man fish, feed him for a day. Teach a man to fish, feed him for a life time" or we can say that providing them employment opportunities. But in India, human resources are in excess but skilled human resources are scarce. Then how to provide employment to all of them?

From the time of Independence, poverty alleviation is the main agenda of the government. To alleviate the poverty government launched many schemes/programs like easy loans, subsidies and tax rebates to rural and small scale industries, NAREGA, cheap food items and many more but these schemes hardly contribute anything to poverty alleviation. Cheap and easy loans lead to suicide of creditor due to repayment defaults.

Here the Microfinance came into picture. Microfinance is providing small loans to poor people which they can use to start small enterprises. Then how they differ from government loans and subsidies? The answer lies in better governance. As a risk management strategy before providing loans to them, microfinance institutions prepare them how to use those loans. We will discuss this in detail in later section. The studies revealed that microfinance institutions undoubtedly contributing a major in raising the income of poor people which in turn improving their standard of living which contributing in country's aggregate income and GDP.

#### **FINANCIAL DEVELOPMENT, MICROFINANCE AND ECONOMIC GROWTH**

Financial system is something which is responsible for the efficient distribution of resources among the society. To channel the funds among society, a strong financial system is needed, which can provide funds (society savings) to people who have entrepreneur instinct with the security of funds. A good financial system improves the allocation of resources among the society. External funding to businesses and firms helps the firms to grow and leads to financial development as it creates assets as well as employment opportunity for the society. Strong financial system leads to financial development. Financial development lead to capital market growth and banking sector growth as both sectors are necessary for growth and are mutually reinforcing, providing different functions to economy and each other. Financial Development can contribute to increase per capita income by easing the credit constraints to the people. Financial development is related with economic growth, physical capital accumulation and economic efficiency improvements.

Now, the next issue is how financial development and microfinance is related. Microfinance is working as financial intermediary among the poorer section of the society. It is providing easy access to financial sector to low section of the society. It channelizing the funds across the people and helping them to earn their living hood and hence increasing their standard of living, which again contributes to economic growth. Low sections of society hesitate to access the financial intermediaries like banks to take loans due to complicated formalities of paper work and lack of collaterals. In spite they would like to borrow from local money lenders at comparatively high rate due to ease of taking loans. These money lenders charge a very high rate and use harshly ways of repayment. Generally they exploit the people. So people go to them only in time of adversity.



Microfinance institutions are organized money lenders, charge high rates but without exploitation of their customers. They tell them how to fish. As a risk management tool, to secure the repayments, they teach the people how to use that money (there are also some other risk management tools). Due to this, their default cases are negligible. Microfinance institution lends very small amount but their number of customers are very large, in turn they have very huge amount involved in transactions. For example, SKS finance lends loans of amount Rs2000 to Rs12,000, but they have about 1.88 million clients. Large size of flows plays a significant part in country's GDP. Also microfinance programs are getting remittances from abroad which become important sources of capital for microfinance institutions. Therefore, we can say that microfinance institutions are contributing a major in channelizing the funds among the low section of societies and hence contributing in financial development of the country.

**BLENDED VALUE BUSINESS MODELS:**

According to Jed Emerson "Value is what gets created when investors invest and organizations act to pursue their mission. Traditionally, we have thought of value as being either economic (or created by for-profit companies) or social (and created by nonprofit or non-governmental organizations). What the Blended Value Proposition states is that all organizations, whether for-profit or not, create value that consists of economic, social and environmental value components—and that investors (whether market-rate, charitable or some mix of the two) simultaneously generate all three forms of value through providing capital to organizations. The outcome of all this activity is value creation and that value is itself non-divisible and, therefore, a blend of these three elements."

While all value naturally consists of a blend, certain investors and organizations are intentionally attempting to create and maximize the impact of this value. The key areas in which both investors and organizations are working to maximize this blended value are:

- Corporate Social Responsibility
- Social Enterprise
- Social Investing
- Strategic/Effective Philanthropy, and
- Sustainable Development.

Microfinance institutions exactly fit into this definition of blended value. Most of the microfinance institutions are working as non-government organizations (for non-profit) while some of them like SKS Microfinance; Spandana Sphoorty has started as non-government organization (non-profit) but later converted to non banking financial company (for-profit). Indifferent to their

legal status, they are providing employment opportunity to poor people, mitigating vulnerabilities to income shocks, smoothing consumption, increasing savings, supporting self empowerment, boosting their standard of living, empowering women and also helping them to improving their social status. So, these organizations are creating economic values as well as social values to the economy.

#### **CONTRIBUTION TO BANKING SECTOR:**

Banks in the country offer investors liquidity in thin markets and extend loans largely to their established customers who maintain balances at the banks. New or small customers have difficulty getting bank credit. Information about the risks of extending credit beyond these groups is not as available. In this scenario, microfinance institutions can play important roles in the banking sector.

By helping to increase the income and asset base of the poor, they may increase demand for bank loans. Once poor individuals' income bases increase, they will be more frequently able to qualify for loans. Strong micro financial sectors could help banks to finish the financial market—to get the market to a point where it is adequately serving all segments of society. Microfinance institutions could help banks to reach previously marginalized sectors; however, non depository microcredit institutions on their own are unlikely to be able to overcome market fragmentation, given their inability to mobilize savings at scale, or attract large enough amounts of capital.

The microfinance institutions can help, develop and prove financial techniques for reaching the poor at lower cost and lower risk. While some techniques are quite labor intensive and not easily transferable to the banking sector as a whole, other techniques can be used by the financial sector to reach more broadly into the market, which will help accelerate the pace of development in the banking sector. For example, the development of credit histories for microfinance customers can be employed by banks to reduce the risk of lending to these clients. Many microcredit institutions are themselves banks or other regulated financial institutions, and they have managed to employ a wide range of risk-mitigation techniques to serve the poor even within their regulatory structures, for example NABARD and SIDBI. Over time, microfinance institutions employing these techniques can grow in scale. Moreover, at the same time, mainstream banks are also moving in lower markets to serve lower-income households with microfinance products, as has increasingly occurred in the country. They are already involved in lending to microfinance institutions. The money to fund microfinance lenders comes mostly from India's biggest commercial banks, such as ICICI, State Bank of India and Canara Bank

That is, innovative risk-mitigation techniques to serve the poor are not incompatible with regulated financial institutions, as evidenced by the commercialization of microfinance from above and below.

The mainstream banks may partner with microfinance institutions. For example, banks could use smaller non depository microfinance institutions to help mobilize savings that can then be intermediated by regulated financial institutions. That is, microfinance institutions can collect the savings, but in the interest of protecting depositors, regulated banks would hold them in exchange for a fee or wholesale deposit in the microfinance institution, and invest the retail savings in the diversified range of assets available to larger institutions.

Banks could also partner with microfinance institutions in offering a broader range of financial products to the microfinance institutions' clientele, with fee-sharing and risk-sharing arrangements designed to take advantage of each type of institution's comparative expertise and institutional strength.

Additionally, given high levels of concentration and volatility, microfinance institutions may wish to consider mechanisms to pool and diversify their risks. Different mechanisms could be developed based on the extent of information available in the market, as well as an assessment of comparative institutional strength. As one example, donors might establish risk funds into which they match payments from financial institutions. Initial losses would come out of the microfinance institution's portion of the risk pool, but donor funds would serve as a backstop. These reserves would stand against microfinance losses, while the structure of the shared match would preserve appropriate incentives. Microfinance borrowers could be required to pay a portion of the microfinance institution's contribution to the loan loss reserve. The presence of the loan loss reserves may reduce capital market concerns about microfinance volatility and thus draw more funding into microfinance, while overall low loss rates experienced thus far should keep actual loan-loss fund distributions to a relatively low level. Existing mainstream banking organizations can also reach into microfinance. Donors and governments may assist banks in furthering their reach through carefully designed, targeted subsidies to banks. Moreover, microfinance institutions "may have an indirect positive effect by reducing the market power of informal lenders even if their size is limited and they need to rely on subsidies." Microfinance institutions can help to drive down interest rates, which benefits poor borrowers in the short term and helps them to accumulate assets.

Lastly, the redistribution of wealth to the poor that bank-subsidized loans entail can improve credit market efficiency by increasing their assets, which could help to break down financial fragmentation and hasten the development of a full-fledged banking sector that permits firms to raise capital on a scale needed for growth.

Thus, over time, microfinance institutions can contribute to a more robust financial system. If the microfinance institutions can attract sufficient capital and operate in a financially sound manner, they have the potential to become quite significant players in providing financial services and credit.

As these institutions grow, some of them become better able to serve broader functions of financial inter-mediation. As the microfinance sector grows, mainstream financial institutions may be better able and more willing to serve a broader segment of society. These institutions may begin to partner with each other, and the various financial sectors of economy may move to a more integrated financial system.

#### **INVINCIBLE MANAGEMENT PRACTICES:**

There is direct linkage between performance and management practices. Microfinance institutions set examples in good management practices. Honestly telling, the efficient management lies in the core of their success. Their risk management strategies like self help groups and joint liability groups substituted legal institution intensive forms for credit protection like collaterals.

Microfinance is not new in India. Government tried to motivate micro savings through post offices a long time back. It also started the concept of cooperative societies which is similar to today's self help groups. But the efforts made by government are failed due to bad governance. Most of the plans related to microfinance are failed due to poor implications. Corrupt practices spoiled every effort. Mostly microfinance institutions are started form NGOs, which again was an effort of government to implement its planning through public participation. Different ministries provide huge funds to NGOs to channel the facilities to needy people. But due to lack in governance the facilities do not reach to the deserving people.

As mentioned earlier, mostly microfinance institutions are started form NGOs, but later they converted into non banking financial institutions to overcome the government restrictions like preventing them from providing credit, interest rate and other controls which block their growth. The microfinance institutions with large client base, small lending, weekly collection periods, efficient repayment system, providing training to new clients, detecting new markets/villages, expanding markets by entering new states, large number of employees, employees training, managing them efficiently, showing remarkable growth, providing employment opportunities in both ways internally as well as externally all are managed by good governance. In this way, these institutions are fulfilling their social responsibilities and also contributing to the economic growth.

#### **PLAYING A VITAL SOCIAL ROLE:**

Most of the microfinance institutions serve women clients. They prefer to lend money to women due to their own reasons. In this way, they are contributing to women empowerment by making them self reliant. Also these institutions are boosting entrepreneurial spirit in the society. The Indian society is risk averse. People prefer to do a job rather than owing their own enterprise. It is very difficult for the government to generate employment opportunities for unskilled labor. So evoking

entrepreneurial spirit among poor people motivating them to start their own small businesses and providing them to startup money is a great social help. These institutions also help poor people to manage their finances. Weekly repayment schedule, providing another loan after repayment of first loan helps the people to move out from poverty.

Most microfinance institutions have a social development program associated with financing. The objective of this program is to generate personal and social consciousness among the members. These programs include aspects that affect behavioral changes (such as personal hygiene, sanitation, drinking clean water, etc.), moral teachings (like teaching to be honest, disciplined, and cooperate among themselves), and social customs (like accepting family planning, not practicing the dowry system, etc.). Knowing these principles and norms are prerequisites to obtain loans from the institutions and are continuously inducted in the members during the weekly meetings. At times, necessary inputs to implement these social programs (like tube wells for water, oral re-hydration salt, etc.) are provided by the institutions on subsidized basis. With the alleviation of poverty, many other related problems like backwardness, illiteracy themselves will move away which leads to the economic growth of the country.

#### **CONCLUSION :**

The economic growth is strongly related to efficiency of financial intermediaries of the country. Microfinance institutions are acting strong financial intermediaries with a large client base and channelizing the financial resources among the lower sector of the society and hence helping the poor people to increase standard of living. They are also helping in development of financial markets of country by employing the funds into productive means.

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## THE IMPACT OF ELECTRONIC COMMERCE STRATEGIES ON BUSINESS

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### ABSTRACT

The spread of high-speed Internet among communities and the proliferation of electronic commerce (e-commerce) among businesses create both opportunities and challenges for businesses. On the one hand, e-commerce may reduce many of the disadvantages associated with an isolated location by decreasing marketing, communication, and information costs and increasing access to lower cost suppliers and services. On the other hand, geographically isolated businesses may find increased competition for their "local" or "traditional" customers from nonlocal Internet businesses.

The proliferation of electronic commerce throughout business organizations is having profound effects on business strategies. "The rules of competition are being re-written and redefined as the technological revolution continues, particularly in the area of world-wide commerce." Projections of commerce via the internet are remarkable.

This paper examines the impact of electronic commerce strategies on business. In this study, we used E-Business Strategies for Competitive Advantage to Internet companies. By E-Business Strategies e-business managers can adopt appropriate strategies for meeting the unique challenges of e-business. This study provides e-business managers with a framework to help them systematically analyze and develop successful strategies to address the problems of doing business online.

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### INTRODUCTION

The proliferation of electronic commerce throughout business organizations is having profound effects on business strategies. "The rules of competition are being re-written and redefined as the technological revolution continues, particularly in the area of world-wide commerce." Projections of commerce via the internet are remarkable.

"Electronic commerce has evolved from a high-tech marvel to a corporate initiative." Electronic commerce can no longer be ignored or thought of only as an I.T. project. Electronic

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commerce projects must now be intertwined with the firm's strategic plans. The most notable strategic effects at the business-unit level: are value-added, differentiation, cost leadership, focus, and business growth strategies.

Many rural businesses have adapted to the "opportunities" and "threats" created by advances in information and communications technologies (ICT) by developing an e-commerce strategy. E-Commerce often is defined narrowly to refer to using the Internet to market and sell goods and services. E-Commerce is, however, much broader and includes "the electronic exchange of information, goods, services, and payments and ... the creation and maintenance of web-based relations"

E-Commerce activities generally are classified as business-to-business (B2B) or business-to-consumer (B2C). Business-to-business e-commerce involves using the Internet to facilitate supply-chain operations and include electronic data interchange (EDI), electronic funds transfer, electronic forms and messaging, and shared databases. Business-to-consumer ecommerce uses the Internet as a retail market channel and in the case of information, as a product or service delivery channel. B2B ecommerce dominates B2C e-commerce in terms of value of sales and percent of total sales.

This paper examines the effects -- emerging and potential -- of electronic commerce on these types of strategies.

## **ELECTRONIC COMMERCE**

E-commerce is a commercial activity dealing directly with the trading of goods and services and with other related business activities, in which the electronic communication medium plays a central role. These activities include the communication of information, the management of payment, the negotiating and trading of financial instruments, and the management of transport (Heng, 2003). E-Commerce is a part of e-business and its goal is to generate profit through the various set of activities based on buying and selling principles.

E-commerce is strongly related to the information technologies and telecommunication technologies. The banking industry as a fast growing industry is facing the challenges of electronic commerce business. Although the ecommerce basics have been well known for years, some adjustments according to the banking needs have been adopted. An efficient way to do e-business is to manage Web implementation of the assets that present and support entity's core business operations, including the software applications and databases in the information technology environment. Although a significant investment might be expected to cover the requirements of

powerful, flexible and secure technology, there are many tools on the market supporting e-business technology fundamentals and products needed to build e-business solutions (Vedran Batos 2003).

### **BENEFITS OF E-COMMERCE TO COMPANY**

Many businesses adopt an e-commerce business plan because it provides the owner greater flexibility in terms of operating location and hours. That is, e-commerce may present an individual with the opportunity to be a "lifestyle entrepreneur" and locate the business where the entrepreneur wants to live. For some individuals this enhanced flexibility might result in a move, but in many cases e-commerce permits entrepreneurs to remain in place and benefit from proximity to family or other local assets.

Most businesses use e-commerce because it provides the opportunity for increased profits (through higher sales or lower costs) and thus enhanced sustainability of the firm. E-Commerce has the potential to significantly improve the efficiency of operations in all phases of the business' supply chain.

### **E- COMMERCE SERVICES AND PRODUCTS**

E-commerce products and services are methods used by banking organizations to carry out their transactions without necessarily coming into physical contact with their clients. These services include Automatic Teller Machines (ATMs), Electronic Fund Transfer (ETF), mobile banking, online banking, Electronic Data Interchange (EDI) and telecommunication services.

Credit card is one of the few remarkable innovations introduced successfully by banks in the last five decades, and it is currently being used extensively in B2C electronic commerce. But it is an expensive means of payment for e-commerce and many on-line shoppers will prefer other forms of paying for their purchase (Long 2000). So will many on-line retailers who have to cough up set up and transaction costs and 2-3% of every payment. Moreover credit cards are not suitable for person-to-person trade on the Internet. In short, e-commerce has created a demand for low cost facility for micro payments and flexible payment (Long 2000). New ways of on-line payments are appearing in the market, such as deduction from a pre-paid account, electronic billing services, direct transfer out of bank accounts.

There is a possibility for credit card companies and banks to act as information intermediaries. In such a construction, a bank customer downloads software from the bank that he knows and can trust. With the help of the software, he can browse without the target websites knowing his identity at all. When he decides to buy an article on-line, the software generates a new identity for him, with a fictitious name and e-mail address, a coded postal address, and a one-off credit card number.



The new identity is sent, via the online merchant, back to the bank. The bank would then check the details of the transaction and approves the transaction.

The post office receives a decoded address label and the coded name.

### **IMPACT OF THE INTERNET ON MARKETING MIX AND COMPETITIVE FORCES**

The Internet can dramatically lower entry barriers for new competitors. Companies can enter into e-commerce easily because they do not need sales forces and huge capital investments as they do in offline markets. As the number of people with Internet access increases, the competition for online business in many industries will also increase. According to the Department of Commerce's 'Digital Economy 2000' report, in 2000 the number of people with Internet access reached an estimated 304 million worldwide, an increase of almost 78 percent over 1999 (Betts 2000). The Internet also brings many more companies into competition with one another by expanding geographic markets (Porter 2001).

The Internet changes the basis of competition by radically altering product/service offerings and the cost structure of firms (e.g., cost reductions in production, distribution, and transaction). The Internet also changes the balance of power in relationships with buyers and suppliers by increasing or decreasing the switching costs of these buyers and suppliers. By reducing customers' search costs, the Internet makes price comparison easy for customers, and thus increases price competition (Bakos 1998). The price competition resulting from lowered customer search costs increases rivalry among existing competitors, reduces switching costs of customers, and thereby shifts bargaining power to customers. On the other hand, IT reduces menu cost—the cost of administering multiple prices for a number of different products or services—and, in part, facilitates price discrimination (Bakos and Brynjolfsson, 1997). The Internet creates new substitution threats by enabling new approaches to meeting customer needs and performing business functions (Porter 2001). World Wide Web (WWW) technology itself has produced new promotion venues. The Internet also facilitates an electronic integration of the supply chain activities, achieving efficient distribution and delivery. It also facilitates partnerships or strategic alliances by networking partners or allies.

### **E-BUSINESS STRATEGIES FOR COMPETITIVE ADVANTAGE**

This section considers the impact of the Internet on marketing mix and competitive forces, and suggests strategies for achieving a competitive advantage.

#### **1. Product Strategy**

On the Internet, consumers can easily collect information about products or services without traveling to stores to inspect products and compare prices. In the offline market researching

product offerings can be extremely expensive and time consuming. As a result, consumers rely on product suppliers and retailers to aid them in the search, and the suppliers and retailers take advantage of this situation by charging higher prices (Allen and Fjermestad 2000; Viswanathan 2000). Consumers end up paying more and often not getting the product they really wanted. However, this is not the case for e-commerce. In the Internet market, a complete search of product offerings is possible at virtually no cost. Because consumers can easily compare prices and find close substitutes, companies are forced to lower prices. Companies cannot achieve competitive advantage simply by exploiting consumers' search costs, as they did in the physical market.

## **2. Price Strategy**

The Internet enables consumers to compare prices, products, and services across suppliers. For example, by logging onto price-comparison sites like Pricescan.com and shopping agents like Bottomdollar.com, consumers can readily compare the prices and features of more than 10,000 products available on the Web (Sinha 2000). This leads to increased price competition and lowers the prices of products or services. According to Bakos (1998), lower search costs for price and product offerings in Internet marketplaces promote price competition among sellers. The Internet thus significantly affects competition, and intensive price competition can eliminate sellers' profits.

## **3. Promotion Strategy**

One of the reasons why many dot.com companies do not realize profits is that they spend a great deal of money for mass marketing to promote their e-brands to consumers. One television executive recently said, "The dot-coms spent like drunken monkeys trying to build their brands. They were willing to pay any price. They were unsophisticated and in a hurry" (Elliott and Rutenberg 2000). The recent demise or downsizing of so many Internet start-ups has had a significant effect on television network revenues (Carter 2000).

## **4. Place Strategy**

For most companies, place refers to the supply chain (or value chain). The place aspects of the marketing mix are closely related to the distribution and delivery of products or services. The Internet and its associated application software have significantly changed the way companies' products or services are delivered by reducing transaction and distribution costs.

One way for companies to differentiate their products from rival companies is faster and more efficient delivery of products to their customers. The Internet allows companies to jump over parts of the traditional supply channel. Direct sellers like Dell Computer do not rely on wholesalers and retailers to deliver their products to consumers.

## **CHOICE OF E-BUSINESS STRATEGIES**

A look at e-business strategies composed of the five competitive forces and the four marketing mix shows that there is no single optimal business strategy for e-commerce because the sources of competitive advantage differ across different industries or markets. By the same token, in industries or markets where different levels of competitive forces are present, certain combinations of product, price, promotion, and place strategies may not work for gaining competitive advantage.

## **ECOMMERCE MARKETING STRATEGY**

Ecommerce marketing strategies helps in tuning your businesses to meet greater peaks withstanding the obstacles global ecommerce marketing facts with the help of suitable ecommerce marketing solutions. There are a wide variety of ecommerce marketing strategies that may be effective in deciding upon the business trends. These marketing strategies of creating propaganda help in inviting more traffic to your websites there by increasing the effective online business with boost in the page rank of your site.

The main ecommerce marketing strategy includes various factors such as.

## **IMPROVING TRAFFIC**

To give a boost to your traffic increases the businesses today. Traffic gets affected due to several reasons such as lack of content stuffs, offensive contents on their sites, no proper handle over keywords, lack of attraction over webpage titles as well as description and many more. Failing to know the reason behind the slowdown of traffic is an added reason in fall of the traffic rates.

A professional site must be perfect with the content which is the main factor that gives choice to the visitors either to explore over the site and revisit for updates or to quit. Contents are responsible to manage the visitors and to handle the professional look that decides on the search engine ranking.

## **CREATING HYPE**

To get your company name to reach the public is the main goal of the ecommerce marketing strategies that work upon. It is effectively done by spreading the information among friends and family circle. Publicity over the professional site can increase more visitors when your products and stuff on the site are more interested upon. To spread a word on your company a professional can help you in reaching the right track of advertisement.

Enhancing your business can be effectively done with the help of ecommerce marketing strategy that helps in creating impact of ecommerce on marketing and business issues. Some of the hyping techniques include the posting of articles, blogging, press release, and email campaign through known circle of people. Creating hype makes people expect what you can do for them.

### **ENHANCING PAGE RANK**

Page ranking also has several aspects to be performed with the contents and the stuff it holds. The page rank increases the possibility of click ability over the search engine result page. As some customers' think of using their credit cards over the online websites for purchase due to the poor page rank. A good page rank must create a first sight trust over the customers or the visitors ensuring for safety transaction. The page rank gives an idea that your site is well recognized and accepted among the other online sites.

### **SEARCH ENGINE BACKING**

Search engine marketing plays a major role in enhancing your ecommerce marketing solutions with definite search engine concepts. The ecommerce marketing concepts are essential in making the difference among the website click ability. Search engine ecommerce marketing and its four domains helps the people who search with the relevant keywords to land with the right content of data.

### **SUPPORT WITH DAMAGE CONTROL.**

Safety measures with the website security are more essential as the visitors are more cautious in choosing their sites for a purchase. Secure professional sites are more liked by the customers as they expect for the search engine results that match their expectation. Support with damage control is essential as the website informations are not to be taken for other usage by any one. Securing the data as well as providing security to the customers' transaction is the most essential ones to be cared upon for best profit on providing the best ecommerce marketing solutions.

### **ECOMMERCE MARKETING PLAN**

Ecommerce marketing plans includes the Concept of Service that stimulates the profit level with increase in the website traffic. Updates over the sites with effective offering services to serve the customers with attractive and comfortable service are the main factor ecommerce marketing plan and strategies work upon.

Ecommerce marketing plan include the essential organizing patterns with service to website designing, construction, programming, development, maintenance and promotion of the product that are launched over the site.

Online business organization includes the operation of the website product dealings such as ordering, conformity on order demand and supply, design description, customer service and support to satisfy the expectation.

Ecommerce marketing plan must include the following stages.

- Goal definition for the site
- Planning of website structure
- Website design and development
- Website programming
- Technical release of website
- Website maintenance

Impressive and Effective E-Commerce Marketing Strategies are the best tools with supportive ecommerce marketing concepts and organizational tricks that helps in enhancing the business development. E-commerce marketing tactics with conventional type of business with extraordinary stuff on the website takes the website to the top ranking position.

## **FINDINGS AND SUGGESTIONS**

On the basis of our study the following points will show some findings and suggestions:

1. **Focus on Niche Markets** : Marketing and selling products through a designed website on the Internet places companies in competition with a large number of firms and provides consumers with easy access to comparisons of competitors' products and prices. Head-to-head competition with large Internet stores will occur on standardized, high-volume items such as books, shoes, sporting goods, and consumer electronics. Smaller businesses generally do not have the ability to compete in these e-markets because the firms do not have (1) the volume or scale economies to match the low price, or (2) the marketing budget to get an early listing on web searches. Thus, it is recommended that smaller businesses concentrate on a niche market in order to reduce online competition.
2. **Effectively Use Service Providers** : A wide variety of programs and services are available locally and on the Internet to assist companies with their e-commerce. Services

available include website design and hosting; software systems for integrating e-commerce with accounting, shipping, and inventory management; and business analytics software to provide data and statistical analysis on the company's e-commerce activity. These services can be valuable in identifying a niche market, reaching customers in that market, and developing an efficient production and distribution system for serving customers.

3. **Creating a Website is the Beginning, not the End of an E-Commerce Strategy** : Many businesses struggle with website optimization, i.e., getting the business to appear on the first page of a search engine. Strategies for optimizing a website are different from those needed to create an initial site and make it fully e-commerce capable, e.g., creating a shopping cart to handle online transactions.
4. **Be Prepared for Growth** : The initiation of e-commerce may result in a significant increase in sales, and the business must be prepared to meet this demand or the e-commerce "window of opportunity" may be lost. The typical Internet customer expects quick and accurate responses to their online orders. The timely delivery of goods and services consistent with the quality perceptions of customers is critical to cultivating repeat customers, word-of-mouth advertising, and favorable online reviews. In addition, the business can somewhat manage the pace of increasing product sales by limiting web-based promotions to targeted geographic areas or specific customer profiles.
5. **Integrate E-Commerce into Overall Business Operations** : E-Commerce is broadly defined as "using online resources and tools to do business better — more efficiently and productively" (Montgomery, 2007). As such, e-commerce holds the promise and challenge of affecting every aspect of a business' operation from product design and production to distribution and service delivery. Businesses using or considering e-commerce should investigate the potential roles for e-commerce in all aspects of the businesses' operations.
6. **E-Commerce is Not for All Businesses** : In our opinion, most small town businesses would benefit from having a website. Consumers increasingly rely on the Internet for information, and a website is a relatively inexpensive way to present information on a business' products, hours, location, phone number, and sales. E-Commerce is, however, much more than maintaining an informational website, and the e-commerce related components and services (e.g., shopping carts, fraud protection, SEO, EDI, analytics software) may add more to the firm's costs than they contribute to profits. That is, e-commerce may not be a profit maximizing business strategy for a firm if the cost of implementing e-commerce exceeds the increase in net revenues or decrease in operating and marketing costs attributable to e-commerce.

**CONCLUSION**

In the final analysis, what is important to the firm is that e-commerce produces an acceptable return on investment. It is good business practice to forecast and monitor the resources (time, money, and other) devoted to implementing and conducting e-commerce and the benefits (increased sales and reduced costs) attributed to e-commerce strategies. If a business forecasts insufficient long-term return on investment, broadly defined to include financial and time commitments, then e-commerce as currently used is not a good fit for the company. In this situation, the business may elect to revise the scale and scope of its e-commerce program or it may decide to withdraw from e-commerce altogether.

In this study, we used E-commerce strategies for competitive advantage to Internet companies. By understanding the impact of the Internet on business, e-business managers can adopt appropriate strategies for meeting the unique challenges of e-business. This study provides e-business managers with a framework to help them systematically analyze and develop successful strategies to address the problems of doing business online.

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## RECRUITMENT PROCESS: THE 'HEART' OF HUMAN RESOURCES MANAGEMENT

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### ABSTRACT

In today's rapidly changing business environment, organizations have to respond quickly to requirements for people. A well defined recruitment policy is necessary for organization to respond to its human resource requirements in time. Therefore, it is important to have a clear and concise recruitment policy in place, which can be executed effectively to recruit the best talent pool for the selection of the right candidate at the right place quickly. Creating a suitable recruitment policy is the first step in the efficient hiring process. A clear and concise recruitment policy helps ensure a sound recruitment process.

**KEYWORDS** - Business Environment, Organizations, Requirements, Recruitment Policy, The Vacant Positions, Wrong Candidate, Rejecting, Right Candidate, Costly, Mistakes, External Factors, Minimal, HR Department, Selection Policy, Tools, Gathering Complete, Information.

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### CONCEPT OF RECRUITMENT

Recruitment is the premier major step in the selection process of the Organizations. It has been explained as an activity directed to obtain appropriate human resources whose qualifications and skills match functions of the relevant posts in the Organization. Its importance cannot be over-emphasized and can also be best described as the 'heart' of the organization.

### ISSUES:

The important issues regarding recruitment are as follows:-

1. The importance of having an effective recruitment and selection policy in an organization.
2. The recent trends that have influenced the process of recruitment and selection in an organization.

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3. Various challenges faced by organizations in the process of recruiting and selecting employees.

### **PURPOSE OF RECRUITMENT**

The process of recruitment does not stop when it commences, it is a dynamic activity. The purposes of recruitment are as follows:-

1. To provide an Organization with a pool of qualified candidates.
2. To assist augment the success rate of selection process by reducing the numbers of obviously under-qualified and over-qualified applicants.
3. To increase Organizational and individual effectiveness in the short and long terms plans.

### **COMPONENTS OF THE RECRUITMENT POLICY**

- The general recruitment policies and terms of the organization
- Recruitment services of consultant
- Recruitment of temporary employees
- Unique recruitment situations
- The selection process
- The job descriptions
- The terms and conditions of the employment

### **SALIENT FEATURES OF RECRUITMENT POLICY**

- It should focus on recruiting the best potential people.
- To ensure that every applicant and employee is treated equally with dignity and respect.
- Unbiased policy.
- To aid and encourage employees in realizing their full potential.
- Transparent, task oriented and merit based selection.
- Weightage during selection given to factors that suit organization needs.
- Optimization of manpower at the time of selection process.
- Defining the competent authority to approve each selection.
- Abides by relevant public policy and legislation on hiring and employment relationship.
- Integrates employee needs with the organizational needs.

## FACTORS AFFECTING RECRUITMENT POLICY

Two types of factors affect recruitment policy significantly:

### I. EXTERNAL FACTORS

- Organizational objectives
- Personnel policies of the organization and its competitors.
- Government policies on reservations.
- Preferred sources of recruitment.
- Need of the organization.
- Recruitment costs and financial implications.
- Applicant application form, inducting

### II. INTERNAL FACTORS

These factors which can be controlled by the organization are as follow:-

1. **RECRUITMENT POLICY** :The recruitment policy of an organisation specifies the objectives of recruitment and provides a framework for implementation of recruitment programme. It may involve organizational system to be developed for implementing recruitment programmes and procedures by filling up vacancies with best qualified people.
2. **HUMAN RESOURCE PLANNING** : Effective human resource planning helps in determining the gaps present in the existing manpower of the organization. It also helps in determining the number of employees to be recruited and what qualification they must possess.
3. **SIZE OF THE FIRM** : The size of the firm is an important factor in recruitment process. If the organization is planning to increase its operations and expand its business, it will think of hiring more personnel, which will handle its operations.
4. **COST** : Recruitment incur cost to the employer, therefore, organizations try to employ that source of recruitment which will bear a lower cost of recruitment to the organization for each candidate.
5. **GROWTH AND EXPANSION** : Organization will employ or think of employing more personnel if it is expanding its operations. Both recruitment and selection are the two phases of the employment process.

The differences between the two are:-

1. Recruitment is the process of searching the candidates for employment and stimulating them to apply for jobs in the organization WHEREAS selection involves the series of steps by which the candidates are screened for choosing the most suitable persons for vacant posts.
2. The basic purpose of recruitments is to create a talent pool of candidates to enable the selection of best candidates for the organization, by attracting more and more employees to apply in the organization WHEREAS the basic purpose of selection process is to choose the right candidate to fill the various positions in the organization.
3. Recruitment is a positive process i.e. encouraging more and more employees to apply WHEREAS selection is a negative process as it involves rejection of the unsuitable candidates.
4. Recruitment is concerned with tapping the sources of human resources WHEREAS selection is concerned with selecting the most suitable candidate through various interviews and tests.
5. There is no contract of recruitment established in recruitment WHEREAS selection results in a contract of service between the employer and the selected employee.

## **POLICIES OF RECRUITMENT**

To achieve the above objectives, it is necessary to have relevant recruitment policies and also to ensure that they are effectively implemented. Policies increase managerial effectiveness by standardizing many routine decisions clarifying the discretion managers and subordinates can exercise in implementing functional tactics. Changing environment has a direct effect on the success and failure of the organization.

These changes take place inside and outside the Organization. Most policies in organizations are never reviewed and they become irrelevant due to the changes in the environment that the organisation is operating.

## **FINDINGS**

1. Line Managers often do not understand the whole process of recruitment. Managers involved in the recruitment should not hire employees that should start as soon as possible. This habit leads to poor recruitment and mis-profiling of individuals who will in turn become part of the problems in the system. Recruitment at an officer and managerial level should be done effectively and one should remember that once you

make the mistake it takes something before that mistake is corrected. It may be costly to the organisation.

2. Many people we see in organizations today are in the wrong jobs and as a result, they are not utilizing their full potential. This is compounded by the fact that some companies have built a tradition of hiring people based on personal connections when the person is not qualified for the job. This is a vivid case in most organizations today. Most recruitment that involves managers are done during discussion at lunch hour, at social clubs or during the coffee break time. All the other processes that follow will only be a formality as the decision would have been made by line managers involved in the process. This practice suffocates the organization for professionalism and to some extent leads to obsolete policies. Many of those appointed may not have the necessary skills and competencies to carry out the functions competently. Also they may not have proper qualifications in the field they are working. Such people will not have much desire to make my contributions in terms of growth and development. Their contributions are marginal if any, they are just passengers in the system and are protected by those who recommended by those who recommended them.
3. The other thing that the author observed is that, those line managers who are involved in the recruitment are not given courses to enlighten them on the importance of the process.
4. One may ask, why it is necessary always to be systematic in recruitment process?. Certain type of managers can make a significant impact on Organizations or Companies. Consequently, a process or a strategy is necessary to deal effectively with equal opportunity issues, to hire the right people, to minimize cost and most importantly, to identify marginal performers before they are hired. Inadequate recruitment procedures will result in a number of staff not being sufficiently qualified either for positions they hold or their grades levels, especially in management positions. Most formal systems are flawed in such fundamental respects that there is a tendency to circumvent it through the application of ad hoc measures, which often rely heavily on personal contacts.
5. Some managers during the process tailor make the job descriptions to suit the requirements of their favoured candidates they want to recruit. This process of course has been going on for sometimes and still HR Practitioners are also involved in this professional scandal. This means HR will not have much control over the accuracy of the job description. This makes those individuals sought unique in the system thereby depriving those right candidates who have the necessary qualification. The job adverts which are tailor made have little resemblance to the job descriptions. Essential

requirements of the organization are omitted. Job descriptions should take into account the changing demands, changing technologies and working methods, and reflect the needs of the Organization rather than skills of the organization.

6. Most managers are technically minded and therefore require guidance in this operation. Absence of a plan leads to chaotic recruitment that's leads to a bumper harvest of unqualified applicants resulting in more unnecessary work for the staff in the recruitment.

## **CONCLUSION AND SUGGESTION**

Recruitment is essential to effective Human Resource Management. It is the heart of the whole HR Systems n the organization. The effectiveness of many other HR activities, such as selection and training depends largely on the quality of new employees attracted through the recruitment the recruitment process.

Policies should always be reviewed as these are affected by the changing environment. Management should get specific training on the process of recruitment to increase their awareness on the dangers of wrong placements.

HR practitioners should be on the guard against all the malpractices and advocate for professional approach throughout the system. The HR should indicate disagreement in the event that biasing toward certain candidates is creeping in and point out the repercussions that may follow in terms of performance and motivation.

It is that, the recruitment process should be seen in the context of ongoing staff planning that is linked to the strategic and financial planning of the organization.

Managers should not overstate qualifications. Setting unrealistically high level for candidates increases the problem of attracting applicants and results in dissatisfaction among the candidates when they find their talents are not been utilized.

If you start the process without a systematic approach, you can rush your decision and end up with a mismatched person who will not be suited to work in the organization. This is a typical case in some organizations. There is a need to have a system that assists to assess candidates throughout. This reduces the odds that you will have to repeat this extensive, time consuming process.

To terminate a poorly recruited employee especially at managerial level is a costly failure to the Organization, considering the cost involved in recruitment, selection, training etc. Wrong placements at officer levels can lead to stagnation within the system. This may also affect production at one point or the other during the times of change.

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## A STUDY OF IMPACT OF COUNSELING ON OCCUPATIONAL CHOICE OF THE STUDENTS AND THEIR SATISFACTION

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### ABSTRACT

In recent times, the pressure of daily living, especially in an environment of insecurity and economic gloom is likely a precursor to depression and dissatisfaction among students. In all aspects of life, academics and career is the most important part in student's life due to globalization and changing society structure these are very much affected. All these factors are the motivation for the present study. Researcher is working in the field of counselling therefore she wants to know how counselling is helping the students in subject selection and career selection. In this researcher used the psychological tests (aptitude and personality) and feedback questionnaire developed by the researcher to obtain the information from the students so that A student before joining a course should not only know the pros and cones of the same but he should also very well analyse himself so as to know about his SWOT details which further aid him in placing himself in the correct path. Research questions and hypothesis were formulated to guide the conduct of the study. Data collected were subjected to simple percentage analysis. The results show that 94% of candidates selected the subjects on the basis of his own analysis with the help of career counsellor and they are satisfied. 86% candidates enter in the recommended career and they are performing well with enjoying life. The study recommended the establishment of counselling unit in Schools and colleges; counsellors should be made available for students; the counsellors should be organizing education and career counselling from time to time on SWOT analysis and career information.

**Key Words:** students, Counselling, career, education

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### INTRODUCTION

Counseling is the heart of guidance programme. Without it, guidance is incomplete. It helps students to resolve their educational as well as personal and vocational problems. It makes and

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effective use of the information collected about the individual or the group to provide insight into the problems for a better guidance programme. It may be viewed as an applied art that seeks deliberately to change the behavior of an individual.

It is based on the work of Barrie Hopsen and provides a helpful starting point:

“Counseling is assisting someone to explore and resolve difficulties they are experiencing clarify conflicting issues and helping that person discover alternative ways of managing themselves and situations, so that they can decide what course of action or behavior is helpful to them. Essentially it is helping people to help themselves.

Rogers says about counseling that “Counseling does not mean providing a service by means of which specific problem of an individual may be solved. The process should help the counselee in gaining clear insight into the problem and in achieving the self- confidence.

In 1945, Good has said, while emphasizing material knowledge, immediate decision-making and use of external resources in defining counseling in his educational dictionary, “Counseling is the individualized and personalized assistance with personal, educational, vocational problems in which all pertinent facts are studied and analyzed and a solution is sought, often with the assistance of specialists, school and community, resources and personal interviews in which the counselee is taught to make his own decisions.”

There is another element in the definition of counseling- development of personality. On the basis if this element, Bordin (1955) has given the definition of counseling as, “the psychological counselor is a psychological practitioner who aids people with these problems of behavior in which the critical issues have to do with their emotions and motivations.”

In 1958, English and English gave a new definition in his dictionary. They said, “counseling is a relationship in which one person endeavors to help another to understand and solve his adjustment problems. The area of adjustment is often indicated. Educational counseling, vocational counseling, social counseling etc. they further say that counseling is a two way affair involving both counselor and counselee.

Pepinsky and Pepinsky have said while giving more modern definition

(a) Counseling is a diagnosis and treatment of minor, functional mal- adjustment.

(b) It is a relationship, primarily individual and face to face, between counselor and counselee.

According to Shostorm and Brammer (1952), “Counseling is a purposeful reciprocal relationship between two people in which one, a trained person, helps the other to change himself or his environment.”

Gustad (1953) has considered learning too as an important element in order to define the counseling. According to him, "counseling is a learning oriented process, carried on in a simple, one-to-one social environment, in which a counselor, professionally competent in relevant psychological skills and knowledge, seeks to assist the client by methods appropriate to the latter's needs and within the contexts of the total personal programme, to learn more about himself, to learn how to put such understanding into effect in relation to more clearly perceived defined goals to the end that the client may become a happier and more productive member of his society."

Ruth Strang, emphasizing mutual relationship of persons, has said, "Counseling is a face-to-face relationship in which growth takes place in the counselor as well as counselee."

Myers has written as, "Counseling means a relationship between two persons in which one person provides special assistance to the other."

According to Harriman, "Counseling is the psycho-therapeutic relationship in which an individual client receives direct help from an advisor or finds an opportunity to release negative feelings and thus clear the way for positive growth in personality."

The view of Robinson is that, "The term counseling covers all types of two-person situations in which one person, the client is helped to adjust more effectively to himself and his environment."

Humphery and Traxler think about counseling in this way that "Counseling is the application of the personal resources of the school or other institution to the solution of the problems that individuals have."

Rogers says about counseling that "Counseling does not mean providing a service by means of which specific problem of an individual may be solved. The process should help the counselee in gaining clear insight into the problem and in achieving the self-confidence."

Considering counseling as a problem-solving effort, Hamrin and Erickson have said that "Counseling is an attempt made by the counselee to think through and solve the problem that confronts him. It is an experiment in cooperative thinking, who two individuals (the counselor and the counselee) strike to solve a problem."

Considering counseling as a mutual learning process, Willy and Andrew have said, "Counseling is a mutual learning process involving two individual – one seeking help and the other himself towards, a goal which leads to his maximum development and growth in his environment."

In the Webster's dictionary, counseling means, "consultation, mutual interchange of opinion, deliberating together."

We summarize that counseling is a relationship between a professionally trained, competent

counselor and an individual seeking help in gaining greater self-understanding and improved decision-making and behavior change skills for problem resolution and/ or developmental growth.

### **ROLE OF COUNSELING IN EDUCATION**

Counseling plays significant role for the purpose of development of child of man into an excellent human. Qualities of head, heart and hands are developed by virtue of counseling only. There are different stages of counseling----

- 1) Mother is the first counselor of the child who inculcates qualities of cleanliness, patience, punctuality, dignity of labor, dedication towards duty and nationality.
- 2) Father is another very powerful counselor who inculcates qualities like adjustment, potential to work, social relationship etc.
- 3) Child enters the school system, his objective is to develop excellent personality in accordance with his potential e.g the person who is short heighten can afford to become the president of the nation but he cannot become the inspector of police. School provides opportunities of an all round development of the student.
- 4) There is a provision of school counselors on the map of the world every where. The purpose of this counseling as a matter of fact role of the school counselor is multidimensional. Guilford. Psychologist suggests that school counselor must develop quality of adjustment on the path of human relationship among parents and the child, teachers and the child, peer group and entire school and parent's coordination.
- 5) When child attains plus 2 level of education, he comes at a point of life where he can chose any direction on the path of his life. A worthy counselor advices him on this philosophy of life that a person must deserve than only he should desire. Present day youth can be successful by virtue of perfect guidance provided by an excellent counselor.
- 6) Stout heartedness is a quality which inculcates excellent technique for the purpose of counseling. He must advice the subject that envy is the sort of self punishment. It prevents a young man from appreciating the opportunities in his present task performance.

**A student before joining a course should not only know the pros and cones of the same but he should also very well analyze himself so as to know about his SWOT details which further aid him in placing himself in the correct path.**

## OBJECTIVES OF THE STUDY

**1) Counseling has a positive impact on decision in occupational choice.**

(Purpose of this objective to select the right career for the right man)

**2) Right decision in occupational choice leads to higher level of satisfaction.**

(Every body wants to be happy in life and if he/she is using his potentials in a right direction then he will be happy and society will get the benefit out of it.)

**3) On the basis of aptitude and personality test student can be motivated to take a right decision.**

(Some times person's potentials are not identified and state of confusion occurs so counseling can help him to get out of this confusion)

## METHODOLOGY OF STUDY :

This deal with the population, sampling procedure, tools of the study, and its analysis, infect the manner in which his investigation has been conducted.

## SAMPLE

Now from the population of 150 students 50 students were randomly selected as a sample for the purpose of sampling. Classification was done in two categories on the basis of age-

- |           |                 |
|-----------|-----------------|
| 1) First  | 12 to 14 years  |
| 2) Second | 17 to 25 years. |

There are 15 students of first age group and 35 students are of second category of age group. In this sample, the number of male candidates is 22 and the female candidates are 28. They are all from the urban areas. Students have been formed on the basis of educational qualification i.e. after 10<sup>th</sup>, after 12<sup>th</sup> and after graduation. From the total population 32% candidates are taken after class 10<sup>th</sup>, 58% taken after 12<sup>th</sup> and 10% taken after graduation. A student of the sample under study belongs to either central schools or public schools.

## TOOLS OF THE STUDY:

Aptitude battery (Jim Barrett and Geoff Williams)

Personality (Eysenk personality inventory)

Feedback questionnaire

## DATA ANALYSIS AND INTERPRETATION

**Table No.- 1****Demographic Data of the Sample (50)**

Variables	Groups	No. of Samples	Percentage
Age	12 - 16 years	16	32%
	17 - 25 years	34	68%
Sex	Male	22	44%
	Female	28	56%
Education			
	10th	16	32%
	12th	29	58%
	Graduation	5	10%

With so much of competition in today's world, it is necessary that preparation of vocational role is done in advance at the right time for a successful career. According to career development stages, 10<sup>th</sup> is the first stage where we select the subjects for the future career. Therefore this is very important stage in the career development process. Keeping this point of view in mind we classify sample on the basis of three variables i.e. Age, sex and educational background. These are the main important factors which affect the career. As shown in the study that as early as we can understand ourselves, we can focus our goal and once we cleared about our goal then it becomes easy to reach the goal.

In the present study there are total no. of sample is 50. On the basis of age we classify the sample in two groups i.e. 12 - 16 years (32%) and 17 – 25 years (68%). We have 22 males candidates (44%) and 28 female candidates (56%). On the basis of educational qualification we classify the sample in three groups:

After completing class 10<sup>th</sup> (32%)

After completing class 12<sup>th</sup> (58%)

After completing Graduation (10%)

Because these are the three decision making phase of the career path.

This shows that Maximum % of candidates are in the category of after 12<sup>th</sup> class because this is the time when a person enters in the career. If s/he is not properly chose at this stage again he will stuck after completing the Bachelors degree. Second highest no of sample is in the group of after completing the 10<sup>th</sup> class because if a person select the subjects according to his potentials he can study comfortably. On the other hand he will perform better with a little effort and discipline. [If you want to go against the waves then you have to work very hard](#), remember this statement in selecting the subjects.

Now there is very less % of candidates in the third group because up to this stage of career a person already enters in the work area. If he is not satisfied with the present work or not getting the job then he requires the career counseling because of many situational factors enter at this stage of career.

**Table No.- 2**

**Mean of the Sub-scales of Aptitudes of Sample**

Sub-scales	Row Scores	Mean
Verbal	827	16.54
Numerical	675	13.5
Spatial	1661	33.22
Perceptual	1063	21.26
Acuity	2615	52.3
Analytical	535	10.7
Technical	475	9.5

**Table No.- 3****Mean of the Sub-scales of Personality of Sample**

Sub-scales	Row Scores	Mean
Extraversion (E)	720	14.4
Neuroticism (N)	627	12.54
Psychoticism (P)	254	5.08
Lie Scale (L)	466	9.32

When it comes to making a career decision, there might be conflicting opinions from parents, teachers, and peers and even within your self. The best way to solve this problem is by doing SWOT analysis. This is a management technique applied I a business decision-making process. But this business management technique can well be applied to other areas of human life, especially in selecting a career.

SWOT is an acronym for strengths, weaknesses, opportunities and threats. The analysis of an individual's capabilities and weaknesses is a prerequisite for proper selection of a career and ensuring success later on. The majority of people tend to have a 'herd mentality', simply following what the majority are doing. But you run the risk of landing up in the wrong profession and paying for the rest of your life for that one mistake. Therefore these aptitude and personality tests help in your SWOT analysis. **Aptitude is the combination of different scales e.g. to become an architect we need the combination of numerical, spatial, technical and acuity skills and a calm personality.**

In the table -2 and table-3, we calculate the mean scores of the different scale of aptitude and personality to analyze the average of the present sample on different subscales of personality and aptitude.

**Table No.- 4**

Range of Sample on Personality		
Personality Scale	No. of Sample	Percentage
Extraversion (E)	29	58%
Neuroticism (N)	32	64%
Psychoticism (P)	16	32%
Lie Scale (L)	7	14%



Table no 4 reveals the range of sample on subscales of personality. It indicates that 64% candidates show high neuroticism. This dimension of personality suggests that people high on N tend to be emotionally unstable and frequently complain of worry and anxiety as well as body aches. Neuroticism is the dimension has following factors

i.e. anxious, depressed, guilt feeling, low self-esteem, tense, irrational, shy, and

moody. Therefore we get the idea that 64% of sample is confused and does not know his future goal that is why they visited REALM for career counseling.

It also reveals that 58% candidates are of extravert personality i.e. they like parties, social, have many friends, craves excitement and acts on the spur of the moment. By analyzing the personality of a person we can help him properly in the direction of choosing a best suited career e.g. if a person's are comfortable with clerical work and his communication skill is not good. If we gave him the work of co-ordination between two departments then he comes under the stress. Therefore personality plays the important role in career decision.

**Table No. – 5**

Range of Sample on Various Aptitude Scales

Sub-Scale	B. Average	Average	Good	Very good	Excellent
Verbal	3 (6%)	15 (30%)	<b>25 ( 50%)</b>	6 (12%)	1 (2%)
Numerical	2 (4%)	9 (18%)	<b>21 (42%)</b>	16 (32%)	2 (4%)
Spatial	3 ( 6%)	13 (26%)	<b>28 (56%)</b>	5 (10%)	1 (2%)
Perceptual	1 (2%)	1 ( 2%)	<b>22 (44%)</b>	<b>22 (44%)</b>	4 (8%)
Acuity	3 (6%)	<b>18 (36%)</b>	16 (32%)	7 (14%)	6 (12%)
Analytical	3 (6%)	20 ( 40% )	<b>21 (42%)</b>	5 (14%)	0
Technical	8 ( 16%)	<b>21 ( 42%)</b>	19 (38%)	2 (4%)	0

All of us have so much ability that never gets used! In most cases, we are not aware of all we can do. If we are, we may not know how we can best apply it. The advantage of objective tests is that they may suggest areas in which you could succeed, even though you have not yet had any experience of them. Also, they may reassure you that you may have a lot more to offer that you might suppose.

Table no 5 indicate that in the sample of study 56% candidates are good on the spatial ability i.e. visualization skill. It is the cornerstone of understanding technical drawings, layout and the

relationships between objects in space and as such it will be used heavily by draughts men, creative artists, hairdressers, photographer and designers.

This table also indicates that 88% candidates have more than average perceptual ability i.e. it is a key to most scientific- based careers. This ability requires you to 'see' abstract information and to make sense of it. 50% candidates have good verbal ability which is the ability to reason with words and 42% candidates have good numerical ability. It also revealed another important point that 36% candidates are average on acuity i.e. the management ability to do routine tasks and with great accuracy. This shows that 36% candidates are lack in managing their daily routine which can reduce their performance. So they need management training. 42% candidates are average on technical skill.

**Table No.- 6**

**Personality factors of the various category of the Aptitude of the Sample**

Aptitude	Total No. Of Sample	Personality Factors	
		High Scorer	
		E	N
High Score on 3 Scales	8	4 (50%)	6 (75%)
High Score on 4 Scales	9	5 (55%)	6 (66%)
High Score on 5 Scales	11	6 (54%)	8 (72.72%)
High Score on 6 Scales	11	7 (63%)	5 (45%)
High Score on 7 Scales	6	4 (66%)	4 (66%)

The Table No.- 6 indicate that maximum percentage of high N is of the sample which have high score on three scales. Second highest N is of aptitude high on five scales

and third highest N is of aptitude high on four and seven scales. On summarizing we can say that N is high on most of the categories because we are unable to cater the need of different type

of children therefore we need to reconstruct our educational curriculum from pre-primary to senior secondary stage.

**Table No.- 7**

**Impact of Counseling on the Sample on the basis of Educational Background**

Educational Qualification	Objective	Total No. of Stud.	No. of Students Selects Recommended Subjects	No.of Stud. Satisfied	%
Class 10th	Subject Selection	16	15	15	94%
			No. of Students Selects Recommended Career		
Class 12th	Confused about career	29	25	25	86%
			Follow Recommended Path		
Graduation	Confused about future	5	3	3	60%

**IMPACT OF COUNSELING ON THE SAMPLE ON THE BASIS OF EDUCATIONAL BACKGROUND**

This table no. 6 is the most important table of this present study. It indicates the importance and role of career counseling. Before we interpret this table we want to discuss career counseling in society.

Now in the world of technology we have career films on the television. They give talks full of career counseling for the children. There are tele-conferences and Career fairs are held. Newspapers do a good service on this count. They write on the latest trends in job market. There are articles on careers. In magazines we have briefs on career counseling. 'Employment News' gives the latest trends in the job market. Children could keep track of radio talks. For the children websites on the computer have become a way of having career counseling. Even on mobile phones they can have it. They need to take advantage of these sources.

All these sources can only provide the information and awareness for the career. But if you are in dilemma or confused then there should be such programme by going through which you will clear about yourself and your aims of career and life.

Above table no 7 shows the important of career counseling in spite of all types of resources available in the market. Career decision is not based only on one factor. At a time we have to analyze many factors and take the right decision at right time for right cause which is the formula of success.

94% of candidates selected the subjects on the basis of his own analysis with the help of career counselor and they are satisfied. 86% candidates enter in the recommended career and they are performing well with enjoying life. On graduation level this satisfaction level reduces because there are so many situational factors enters in the path. Therefore this table also suggests that if we take a right decision at right time then we can feel more satisfaction at various level of career development.

#### **CONCLUSIONS:**

Undoubtedly, we spend three quarter of our waking day at work... day by day for most of our life. So it is crystal clear that selecting the career/work is a preliminary decision, which we have to take with such effectiveness & accuracy that we can surely convert our dreams into reality. Hence there is a need of awareness for making a conscious choice in this aspect, as one does not board a train unless he knows its destination. So today there is a need for well-organized program, which can give the right career path to the student on the basis of his resources. Because----

A job is not a career and this distinction must be kept in mind. Your job is not an end in itself. It is a mean to an end that is your career, your plan, your dream, and your life. Your career belongs to you. Your job belongs to your employer. So a career is an integrated life long plan of earning a living.

The best career advice to give the young, a British writer once said:

**“Find what you like doing best and get someone to pay you for doing that”**

For that the basic foundation of building a career is

- 1) The quality of education and
- 2) Training to which a person is subjected.

**Now question come up what course of study really suits him / her**

Identification of the right course of study involves a detailed analysis of diverse factors:

1. Aptitude of the student
2. Learning ability of student
3. Financial position of the family
4. Proximity of the educational institution
5. Gender difference
6. Potential of the program for early placement

It may be remembered that there is no adolescent without an aptitude for anything. Any raw stone has a beautiful hidden statue inside. It is the duty of the parents, teachers and professionals to play the role of a gifted sculpture and identify the hidden statue in the child.

Once, we are able to identify the best course of study for a child then the second requirement is sound knowledge of the available options.

**Parents of this generation do realize that they need to gather authentic information about career their children need to choose, but choosing the right counseling organization may help the adolescent in designing the optimum career.**

Parents can gather information covering following details:-

1. Style, duration and entry qualification of courses
2. Institutions as well as Centers of excellence that run the programme
3. Academic history and reputation of such institutions
4. Recognition of the institution / course by the University / Board concerned
5. Position attained by alumni of the institution
6. Possibilities for campus selection
7. Fee and other items of expenditure involved
8. Potential for further studies

When you plan your career, you set a time frame to achieve it and work at it with a disciplined mind, setting milestones in your life. The career Plan once framed acts as a reminder to you. It tells you what you have accomplished and how you are progressing.

An unplanned life is like a game of football without goalposts, neither interesting to the players nor to the viewers. Your chances of success in planned career are far greater than in an unplanned career.

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*If boys and girls do not learn discipline in their school days, money and time spent on their education is so much a national loss.*

*- Mahatma Gandhi*

## NEW HORIZONS OF CARBON TRADING

\* Dr. Neeraj Dubey, \*\* Umesh Sharma, \*\*\* Dr. Umesh Holani

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### ABSTRACT

Carbon credit trading is a buzz word of today's business world. The initial idea about tradable rights to control pollution was coined by Canadian economist John Dales in 1968 later implementation of Kyoto Protocol from 15<sup>th</sup> Feb, 2005, had constructed a ground for Clean Development Mechanism (CDM) to mitigate the climatic changes. In March, 2006, the Kyoto Protocol's CDM was implemented by forwarding the CERs to the holding account of a project participant by CDM Registry Administrator of United Nations. Hence it is construed that first carbon trading took place in March, 2006.

According to our proposal - all plants shall be classified and ratified according to their average life span, per plant average area covered and their contribution towards improvement of the environment. Each variety of plant shall be allotted a monthly numerical value in order to calculate the CER. By doing so, the seasonal crops will also be included. At certain intervals, the CERs shall be credited in the account of the plant owner (private or government) which may be tradable in the market.

Our government, after consultation with UN, shall constitute a separate body like Carbon Credit Regulatory Authority of India (**CCRAI**) to regulate and monitor all affairs related with carbon credit. This authority shall be responsible for dealing with all matters pertaining to carbon credits including international carbon trading.

Income generated by international carbon trade shall be distributed as follows:

- (a) Minimum 50% of the income shall be allotted to farmers/ plant owners according to rating. It will be a best reward for their environmental good.
- (b) 25% of the income shall be spent on R&D, focused towards controlling and devising new methods to reduce the carbon emissions in the environment.
- (c) 10% of the income shall be kept in the contingency fund of the CCRAI.
- (d) 10% of the income shall be spent towards implementing clean development mechanism by developing new projects.
- (e) 5% of the income shall be spent towards creating awareness about the carbon credits and providing necessary training to the people.

This strategy shall have many fruitful outcomes like- increasing our Green Currency Reserve, eco-friendly employment and technology etc.

**Keywords:** Green Currency Reserve, CER, DOE, CCRAI, tax evasion, carbon credits, eco-friendly employment,

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**INTRODUCTION:**

Carbon credit trading is a buzz word of today's business world. However, this concept is in its nascent stage due to lack of awareness and clarity amongst the masses.

The initial idea about tradable rights to control pollution was coined by Canadian economist John Dales in 1968 later implementation of Kyoto Protocol from 15<sup>th</sup> Feb, 2005, had constructed a ground for Clean Development Mechanism (CDM) to mitigate the climatic changes. In March, 2006, the Kyoto Protocol's CDM was implemented by forwarding the CERs to the holding account of a project participant by CDM Registry Administrator of United Nations. Hence it is construed that first carbon trading took place in March, 2006.

Trading of carbon credits happens in the form of CERs or Certified Emissions Reductions. Certified emissions reductions (CERs) are the currency of the clean development mechanism (CDM). CERs can be used to acquire technology, capital investments in projects aimed at reducing carbon emissions. CERs are in the form of certificates, just like stock. A CER is given by the CDM executive Board to projects in developing countries to certify that they have reduced greenhouse gas emissions by one tonne of carbon dioxide per year.

Carbon credits are traded at the Chicago Climate Exchange, the European Climate Exchange and the Multi-Commodity Exchange of India (MCX), which launched futures trading in carbon credits in 2009.

Under UNFCCC's clean development mechanism (CDM), a developed country can take up a greenhouse gas (GHG) reduction project activity in a developing country where the cost of GHG reduction is usually much lower and the developed country would be given carbon credits for meeting its emission reduction targets.

The unit associated with CDM is certified emission reduction (CER), which are generally termed carbon credits where one CER is equal to one metric tonne of carbon dioxide equivalent.

**GLOBAL MARKET TREND OF CARBON TRADING**

According to Reuters, the U.N. carbon credits fell 4 percent on 25 October, 2011 and could fall further as heavy issuance continues to weigh on prices but they are not likely to hit an all-time low of 7.15 euros (\$9.76) a tonne this week, traders and analysts told Reuters.

An analysts said CER prices have probably already hit a floor unless there is an unexpected surge in issuance of CERs or other U.N.-backed credits, such as emissions reduction units.

A record 254 million CERs have been awarded this year so far, well above the 132 million awarded in the whole of 2010 and 123 million in 2009.



**THE ACCOUNTING ASPECT OF CARBON CREDIT**

The guidance note classifies CERs as 'assets' of the generating entity. However, since issuance of CERs is subject to the verification process under the UNFCCC, CERs can be treated as contingent assets, only after it comes into existence, i.e. after the entity has been issued CERs by the UNFCCC. After this, CERs can be recognised in the financial statements.

No guidance is currently available under Indian GAAP (generally accepted accounting principles). Consequently, various practices exist (a) income from sale of CERs is recognised upon execution of a firm sale contract for the eligible credits, as prior to that there is no certainty of the amount to be realised; (b) income from CERs is recognised at estimated realisable value on their confirmation by the authorities concerned; and (c) income from CER is recognised on an entitlement basis based on reasonable certainty after making adjustments for expected deductions.

**CARBON CREDITS TRADING ON INCOME TAX RADAR IN INDIA**

The Income Tax Department of India has trained its sights on the carbon credits trading business in the country with a view to crack down on tax evasion in the sector, which has been estimated at Rs 1,000 crore.

The department has now decided to keep a tab on the trade by putting its intelligence wing on the job to gather information on entities involved in trading carbon credits and pass on the relevant data to I-T investigation and international taxation wings for taking action against tax evasion in this sector.

First carbon fraud raid in London: On 21/08/2009 the tax authorities instigates first carbon fraud raid. Nine arrests made in connection with alleged VAT fraud through carbon emission trading

The taxman has instigated the first set of UK arrests for alleged carbon tax evaders. Nine people including seven men and two women were arrested in the Gravesend and Greater London areas for over £38m worth of fraudulent VAT reimbursements on carbon trading.

**PROPOSED VERSION OF CARBON TRADING:**

As we all know that plant absorbs the carbon dioxide from the environment for photosynthesis and releases oxygen gas into the air, which cleans our environment.

According to our proposal all plants shall be classified and ratified according to their average life span, per plant average area covered and their contribution towards improvement of the environment. Each variety of plant shall be allotted a monthly numerical value in order to calculate the CER. By doing so, the seasonal crops will also be included. At certain intervals, the CERs shall be credited in the account of the plant owner (private or government) which may be tradable in the market. To carry out this work, the UN shall reorganize its Designated Operational Entity (DOE).

**WHAT INDIAN GOVERNMENT SHOULD DO?**

Looking into the economic and environmental significance of carbon trading in the world, the Indian government must take immediate and pragmatic steps in collaboration with UN to reap the benefits of carbon trading for our nation and citizens with proposed version of carbon trading.

As we know that 72.18% of our population is rural and about two third of our population dependent on agriculture and related activities including floriculture, horticulture etc. Our government shall constitute a separate body (eg. Carbon Credit Regulatory Authority of India – CCRAI) to regulate and monitor all affairs related with carbon credit. This authority shall be responsible for dealing with all matters pertaining to carbon credits including international carbon trading.

Income generated by international carbon trade shall be distributed as follows:

- (a) Minimum 50% of the income shall be allotted to farmers/ plant owners according to rating. It will be a best reward for their environmental good.
- (b) 25% of the income shall be spent on R&D, focused towards controlling and devising new methods to reduce the carbon emissions in the environment.
- (c) 10% of the income shall be kept in the contingency fund of the CCRAI.
- (d) 10% of the income shall be spent towards implementing clean development mechanism by developing new projects.
- (e) 5% of the income shall be spent towards creating awareness about the carbon credits and providing necessary training to the people.

**SIGNIFICANCE OF PROPOSED CCRAI:**

- (1) CCRAI shall make it mandatory to all pollution creating organizations to purchase the required CERs to reimburse the same else provision of penalty be framed.
- (2) CCRAI shall be given all required powers to execute the CDM functions of UN. At the same time it shall liaison with UN.
- (3) This body shall be composed of well trained environmental scientists, jurists with special training in environmental matters and other supporting executives.
- (4) CCRAI shall have its regional offices in each state and union territory to coordinate the matters with the central body.
- (5) CCRAI shall collect the revenue with carbon trading and utilize the same according to its given plan. It should present its financial report before the parliament duly approved by CAG.

- (6) CCRAI shall distribute its income to the beneficiaries / parties depending upon the rating of the plants/ group of plants.
- (7) This policy shall have a number of fruitful results like:
  - (a) It may prosper the plantation activities which in turn will improve our environment.
  - (b) It shall check the deforestation and promote the reforestation.
  - (c) It shall increase the employment in rural areas.
  - (d) It shall increase the income level of the farmers.
  - (e) It shall promote the eco-friendly products in the market.
  - (f) It shall discourage the high pollution creating industries.
  - (g) It shall preserve our agriculture and forests.
  - (h) It shall help in balancing our ecosystem.
  - (i) It shall help in controlling soil erosion and maintaining water level.
  - (j) It shall phase out the products which are harmful to our environment.
  - (k) It shall glorify our image in the world with increase in '**green currency reserve**'.
  - (l) It shall redefine the business trend in the world.
  - (m) It shall generate avenues for eco-friendly employment in the world.
  - (n) It shall promote the development of eco-friendly technology in the world.

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## FACTORS AFFECTING CONSUMER BUYING BEHAVIOR FOR RETAIL SECTOR

\* Lilesh Gautam, \*\*Prof Umesh Holani & \*\*\* Dr.Rajendra Kumar Khatik

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### ABSTRACT

Consumer behavior analysis is based on consumer buying behavior. It aims at improving business performance through an understanding of customer's preferences and desires. In present scenario the whole world is shifting from traditional forms of retailing to a modern organized retailing. Rising interest and growing expansion of retail market leading to a success of business depends solely on consumers urge that there is a need to study there buying behavior. In today world of growing competition there are numerous brands selling the same products, consumers have an abundant number of choices and many diverse factors influencing their buying behavior. There are various factors which influence consumer mind like ingredient, cost, packaging, fragrance, popularity etc. This study made an attempt to find the factors affecting consumer buying behavior with focus to retail product this study is useful to the marketer as they can create various marketing strategies to enhance their sales.

**Keywords:** Consumer behavior, Factors influencing buying behavior, Social factors, Retail product

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### INTRODUCTION

#### WHO IS A CUSTOMER?

Customer is a person who repeatedly or regularly visits the retail organization with an objective to purchase the product from retail store. A Customer can be of three types:

- Customer know what he/she wants
- Customer who does not know exactly what he/she wants but has a need

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- Customer who does not know if he/she wants or need anything.

There are various factors which influence consumer buying decision making.

These factors are:

1. Demographic includes age, gender, education, family, size etc.
2. Psychological includes motives. Personality and attitude etc.
3. Environmental includes physical environment. Social environment. Social class etc.
4. Lifestyle includes occupation and interest etc.

## **RETAILING INDUSTRY**

The retail industry is responsible for the distribution of finished product to the public. The retail sector comprises of general retailers, departmental stores, speciality stores and discount stores. The retail industry emerged in US in eighteenth century, restricted to general stores.

**Retail industry** is largest in India with an employment of around 8% and contributing to over 10% of country's GDP. The retail industry can be divided into two types i.e. organised and UN organized sectors. Organised sector retailing refers to trading activities undertaken by licensed agreement. Unorganized retailing on the other hand, refers to the traditional format of low cost retailing. For example local kirana shop, owner manned general stores.

## **LITERATURE REVIEW**

Marketing and consumer researchers over the period of forty years have tried to grasp the concept of Consumer buying and defined this terminology in their own perspectives, for which some research findings are discussed here.

In a research conducted by Cobb and Hoyer (1986), impulse buying was defined as an

Unplanned purchase and this definition can also be found in the research of Kollat and Willett (1967). In another research by Rook (1987) reported that impulse buying usually takes place, when a consumer feels a forceful motivation that turns into a desire to purchase a commodity instantly. Beatty and Ferrell (1998) defined impulse buying as instantaneous purchase having no previous aim or objective to purchase the commodity. Stern (1962) found that products bought on impulse are usually cheap. Shopping lifestyle is defined as the behavior exhibited by purchaser with regard to the series of personal responses and opinions about purchase of the products as reported by Cobb and Hoyer (1986). They find that shopping life style and impulse buying behavior are closely related but only in the case of impulse buyers. The study also states that impulse purchasers fell in

the middle as of the measurement tools used by the researchers, indicated that purchasers will not pick the first brand they spotted in the shopping mall.

In researches conducted by Cha (2001); Han et al., (1991); Ko (1993) it is reported that impulse

buying behavior regarding fashion products are associated with patterns like chaste, repeated emotions as well as fashion-oriented impulse buying behaviors. These facts were also quoted by Park et al.(2006). The definition of fashion involvement basically relates to apparel associated with fashionable outfits. The findings of Han et al. (1991) quoted in response to fashion involvement of consumers, that it might enhance fashion-oriented impulse buying behaviors among those who habitually wear fashion outfits. Fairhurst et al. (1989) and Seo et al. (2001) found a direct association among fashion involvement and apparels purchase. Positive emotions are defined as affects and moods, which determine intensity of consumer decision-making reported by Watson and Tellegen (1985). Park(2006) found a positive relationship of positive emotions, fashion involvement and fashion-oriented impulse buying with the overall impulse buying behavior of the consumers. Ko (1993) reported that An Empirical Study of Consumer Impulse Buying Behavior in Local Markets 525 positive emotions may result into fashion related impulse purchase. The researches of Beatty and Ferrell (1998); Husman (2000); Rook and Gardner (1993); Youn and Faber, (2000) found that emotions strongly influence buying behaviors, which result into consumer impulse buying. Babin and Babin (2001) found that in stores consumer's purchasing intentions and spending can largely be influenced by emotions. These emotions may be specific to certain things for example, the features of the items, customer self-interest, consumer's gauge of evaluating items and the importance they give to their purchasing at a store.

#### **OBJECTIVES OF THE STUDY**

- To find out the various factors that affects consumer buying behavior in retail sector.
- To find out the association among these various factors.
- Assessment of importance of each of them to the consumers for selection of retail sector.

#### **RESEARCH METHDOLOGY:**

A structured questionnaire was used to collect data whereby it was served as primary data to answer the research questions and objectives planning to find out the factors that affects consumer buying behavior towards retail sector. The survey questionnaire consists of 4 distinct sections, each of which contains question pertaining to different parts of the study. A convenience sampling method is used to collect data mainly from the consumers who used to buy the product from retail shop. Consumers were chosen to collect data from the major part of the Gwalior region.

Even though the sampling method adopted has limitations in terms of generalizability as compared to other method of sampling,. The convenience sampling appropriately carried out because of the difficulty to reach all the respondents. This method occurs when researcher simply collect data from whoever is available. Such voluntary data providing groups, if they serve as the basis for inferential statement, are called convenience samples. Total 125-sample size are found to be adequate for this study, of which 110 questionnaires were received.. Each of the response received was screened for errors, incomplete and missing responses.

## RESULTS AND DISSCUSION:

### REALIBILITY COEFFICIENT

Cronbach's alpha ( $\alpha$ ) analysis was employed to test the Reliability coefficient. Since, Cronbach alpha is commonly used method to measure the reliability for a set of two

or more construct where alpha coefficient values range between 0 and 1. Higher values indicate higher reliability among the indicators (Hair, et al., 1992) (Hair, et al., 1992). Hence, 1 is the highest value that can be achieved (Table 1). . . According to the results of Cronbach alpha test total scale of reliability for this study varied from .683 to .690. This result indicated an overall higher reliability factor. As a result, reliability of this study is substantial, as the highest reliability value that can be achieved is 1.0.

Reliability statistics:

Cronbach's alpha	Cronbach'alpha based on strandized items	No of items
.690	.683	11

### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.548
Bartlett's Test of Sphericity	Approx. Chi-Square	128.833
	df	55

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.548
Bartlett's Test of Sphericity	Approx. Chi-Square	128.833
	df	55
	Sig.	.000

**TABLE2:TOTAL VARIANCES EXPLAINED**

COMPONENT	INITIAL EIGENVALUES			EXTRACTION SUM OF SQUARED LOADING		
	CUMUL TOTAL ATIVE%	%OF VARIENCE	CUMULATIVE %	TOTAL	%OF VARIENCE	
1.	2.905	26.410	26.410	2.905	26.410	2.411
2.	1.554	14.129	40.539	1.554	14.129	40.539
3.	1.447	13.150	53.690	1.447	13.150	53.690
4.	1.087	63.671	1.087	9.882	63.571	1.161
5.	.983	8.940	72.511			
6.	.758	6.887	79.398			
7.	.677	6.157	85.555			
8.	.547	4.976	90.531			
9.	.485	4.412	94.943			
10.	.388	3.67	98.015			
11.	.218	1.985	100.000			



The values of following Table 3 indicate the affiliation of the items to a factor.

Generally, the factor is the natural affinity of an item for a group. The higher loading (factor) indicates the stronger affiliation of an item to a specific Factor. The Finding of this study indicate that each of the four dimensions (Demographic, Psychological factors, Environment influences, lifestyle)

**Component Matrix**

	Component			
	1	2	3	4
suitability to culture		.639		
social influence			.708	
adv&mkt	.534			
family income	.585			
demographic				.735
educational qul	.624			
price oriented life		-.632		
innovative	.673			
personality	.604			
physiological	.614			
family occupation	.621			

Extraction Method: Principal Component Analysis.

a. 4 components extracted.

PSYCHOLOGICAL FACTORS	2.905	26.410	.534 .585 .624 .673 .604 .621
LIFESTYLE	1.554	14.129	.639 .632
ENVIRONMENTAL	1.447	13.150	.708
DEMOGRAPHIC	1.087	9.882	.735

**DEMOGRAPHIC FACTOR:**

This factor includes the age, gender, education and family size of consumer all these factors are having greater influence on consumer life and having strong association with buying behavior of a customer .consumer will buy the product from retail according to his age and gender .The number of family member act as a initiator to create a perception among the buyer towards a product.

**PSYCHOLOGICAL FACTOR:**

This factor is related with the personality and attitude of consumer these two factors play a major role in consumer purchase decision this factor strongly influences consumer buying behavior.

**ENVIRONMENTAL FACTOR:**

This factor includes social environment, social class and physical environment. This factor is having strong relationship with consumer buying behavior for retail product. Social class includes group of peoples living around us and constitute a society they tell us to buy any product or not they affect our purchasing decision. This includes opinion leader and reference groups etc.

**LIFESTYLE FACTOR:**

Life style of the consumer includes occupation and interest of the consumer. Interest of consumer towards any retail product act as a motive to enforce consumer to buy that product. Occupation of the survivor of the family affects the buying behavior of all the family members.

**LIMITATION AND DIRECTION TO FUTURE RESEARCH**

This research has been applied successfully what we have learnt in the factors affecting buying behavior of consumer in retail sector with evidence from Gwalior region. The outcome of this research showed a comprehensively integrated framework for us to understand the dynamic relationships among dimensions of Environmental influence, Life style, Demographic, and Lifestyle to understand the consumers' buying behavior. However, further research is needed to examine these factors in Gwalior with additional samples before generalization can be made. Moreover, it is also needed to extend behavior intensions of consumers about retail product.

**CONCLUSION**

The research of this study clearly indicate that there exist a strong association between life style social influences ,psychological factor and demographic factors and its impact on consumer buying behavior .pre-decision stage of consumer purchase behavior also have strong association with these factor so it is established through this research that consumer buying behavior for retail product in Gwalior region is affected by these factor. so by considering this factor consumer can be motivated towards retail sector.

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