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CONTENTS

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FROM THE DESK OF THE EDITOR

Warm welcome to the Volume V, Issue I of "**Amity Journal of Management (AJM)**".

In the current era diversified and latest trends of managements has unique role to play. This edition of Amity Journal of Management talks about latest trends in HR, Marketing and Finance.

First article is on the talent management and employee engagement, author found a disturbing absence of lucidity around the meaning and span of terms talent and employee engagement. This research study sought to explore and investigate the relationships of talent management practices with employee engagement in the context of start-ups.

At second place a case study on the training and augmentation problems faced by hospital industry has been kept to give an insight of the service sector in India.

Financial inclusion of Indian banking system and participation of all Indians in bringing this change is utmost important. The need of the hour is to upscale the efforts to ensure financial access and availability, typically in the BIMARU and the North Eastern sister states of the country. Therefore our third paper focus upon the way and means to provide financial inclusion to all citizen of the country.

The Fourth paper focuses on studying and analyzing the influence of selected personality traits like consumer innovativeness, consumer susceptibility and consumer materialism on the behavior of the consumers of home appliances. The study establishes that the personality traits like consumer innovativeness, consumer susceptibility and consumer materialism influence the consumer behavior in a significant manner.

Final research paper helps to understand the change in consumer behavior with the introduction of technology. It further talked about the mobile apps and its impact on consumer behavior.

Prof. (Dr.) Anil Vashisht

Chief Editor - AJM

A STUDY ON TALENT MANAGEMENT PRACTICES IN INDIA

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ABSTRACT

VUCA (Volatile, Uncertain, Compound and Ambiguous) environment have become the order of the day, so much so that they have become acknowledged by the terms like "perpetual crisis" in leading industry and business circles. This is essentially a signal by top industry professionals to it employees unanimously that should see the VUCA world as a permanent condition. Against the backdrop of this context talent management is giving sleepless nights to top HR professionals. Coupled with the VUCA forces, globalization, talent mismatches and knowledge economy has ensured an ensnarling talent crunch for organizations. Practitioners press is seasoned with articles on talent management and employee engagement still there exists a disturbing absence of lucidity around the meaning and span of terms talent and employee engagement. Understanding the complexity of today's times complemented by the embracing of start- up revolution, the following research study sought to explore and investigate the relationships of talent management practices with employee engagement.

Key Words: *Talent Flair, Engagement, Commitment, Talent Crunch.*

INTRODUCTION

The current globalized world has thrown open a new business challenge for the organizations. Globalization has mandated businesses to expand operations from prime economies to increasing economies. Their success is posited upon how effectively and efficiently they can utilize their knowledge. The augmented reliance on skilled cum knowledge workers has put immense weight on corporate to improvise their talent engagement systems and the technologies as well. The blurring line between employees within the companies and those without is also propelling talent engagement changes, specifically around sourcing, strategic manpower planning and workforce engagement. Against the backdrop of this context, top executives around the world have realized the pressing need for talent management, with an understanding that talent is the only source of long term business success. Skill shortages and competency misfits are becoming a serious threat for companies. It becomes crucial to align talent engagement practices with corporate strategy. Ironically, the task of managing employees even till today rests on the shoulders of HR, when actually it should be a shared responsibility and needs to be a part of the business tactics owned by higher echelons of the industry.

Motivation of the study

Strategy is the landmark for any organizational success (Worley, Hitchin and Ross, 1996). Talent Management has become a critical mission for organizations. The literature is ripe with work on this area with contemporary trends in talent management, talent management metrics, talent incursion, retention, talent poaching explicitly seen in text cutting across the globe like the UK, USA Australia, Japan, China, India and across Asia (Yeung 2006; Ruppe, 2006; Dunn, 2006; Chugh and Bhatnagar, 2006; Lewis and Heckman, 2006; Lewis , 2005; Branham, 2005; Bennett and Bell, 2004). The ever augmenting competition and the absence of accessibility of extremely gifted manpower has transformed spotting and maintaining gifted employees a prime concern for companies (Fegley, 2006).Ironically, acceptance of this fact has even failed to give a wakeup call to the organizations due to the absence of aggressive and in place talent management

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strategies. Volatile, uncertain, compound and ambiguous environments (VUCA) are creating a perfect storm of talent engagement.

There are very minimal studies in research which explores the association/ no association between Talent Management and Engagement. The studies conducted by Forman (2005) and Romans and Lardner (2005) focused on talent management practices and associated practices; whereas Bhatnagar (2007) investigated employee engagement and tried to give a link between engagement and talent retention. Studies have been conducted by practitioners and various consultancies like Gallup Consultancy, Hewitt Associates, and Institute of Employment Studies (IES) in the field of employee engagement with emphasis on organizational performance, business outcomes but none of them have examined the relationship on talent management practices with engagement.

The IT/ITES Industry in India

The ITES/BPO sector has turned out an assorted and a swiftly expanding offshore market with an ambitious yearly expansion rate of 60 percentage (Tapper, 2004). Unmatched blend of low costs, in-depth methodological and language expertise, mature retailers and right government guidelines have ascended India as one of the premier off shoring hub across the world (A.T. Kerney, 2007). India undoubtedly commands supremacy in terms of its competitive advantage to other countries in their back-end work. Approximately 100,000 engineering graduates churned out every year are deployed in technical support work in these BPO (A.T. Kerney, 2007).

As per, a study by Budhwar *et al.* (2006) with Indian sub-continent projected revenues of $148 billion till 2012, the IT/ITES sector mandates straight hiring of above 3.7 million people. India does have a wide reservoir of "talent pool", but they lack the requisite industry skills because of which their talents are scarce. This has led to amplified stage of poaching and employee turnover cases. The attrition figure is highest in IT/ITES sector at

(31%) followed by telecom, banking and financial services, aviation and hospitality real state and FMCG. The attrition rate in this sector at present, hovers around 30-35percent.

REVIEW OF LITERATURE

Talent Management has appeared to be the latest "searched" word in (HRM) dictionary. A 2007 hit on the term "Talent Management" on Google search engine exhibited possibly 5,75,000 hits, with terms as Talent management trends , Talent management solutions capturing numerous Human Resource Management (HRM) periodicals and journals. Despite being a popular buzzword and apparent popularity, there is disturbing lack of clarity around the concept of Talent Management. The universal fact is that talent and intangible capital of organization are the ones that propel the organization in the current economy (Forman, 2005; Michaels et al., 2001).

The concept of Employee engagement emerged in 2006, when Central Institute for Personnel Development (CIPD), undertook review of level of engagement in the UK workforce, result of which were available in report entitled *Working Life: Employee Attitudes and Engagement (*Truss *et al 2006).*

The prominent and prime issue in the text is the absence of unanimously and commonly established definition of employee engagement. The major work on employee engagement presents it as an emotional state (e.g. obligation, attachment, engrossment and affection etc.), a outcome/output construct (e.g. profile performance, endeavors, visible actions, corporate citizenship conduct etc; Macey and Schneider, 2008a) or an outlook.

The pre wave was marked by the acceptance of the universal urge of workforce to engage with their role profile and the organizations they were associated with. For instance, Katz and Kahn (1966, p.388) mention about the employee behaviors important for securing organizational effectiveness. They have not used the word employee engagement, but their study recognized the importance and its association with organizational success.

The early 1990's began with revered scholastic study on engagement by (Kahn 1990, 1992). Kahn is revered to as the pioneer in the area of workforce engagement. His study his appreciable yet he does not use the calibration particularly and his qualitative work primarily focused on personal engagement. It was seen that an engaged employee was immersed in his job physically, cognitively and emotionally. The term Kahn (1990) used to portray these calibrations is 'individual engagement' and 'individual disengagement'. The presence of three psychological factors defined the engrossment of an individual to a role profile fully. Those were the likes of core job characteristics (meaningful work), safety/equity (social essentials including management approach process &organizational regulations) and the accessibility (individual distractions).

The time period between2000-2005witnessed acknowledged work from both academicians and practitioners. The consultants at Gallup and Hewitt Associates carried out study with the specifically designed questionnaire called as Gallup Workplace Audit (GWA) (Harter *et al.,* 2002) and the Q[12] employee engagement questionnaire (Harter *et al.,* 2003; Harter and Schmidt, 2008).DDI (2005) used the description 'the degree to which employees treasure, like and consider in what they perform and include the element of feeling valued. Another major consultant/researcher,

The time was also marked with an understanding and manifestation of employee engagement from the field of psychology, termed as positive psychology. The presence of several factors defines the presence of positive attitude and that the absence of these factors or other factors leads to burnout (Masclach *et al.,* 2001; Harter *et al.,* 2002; May *et al., 2004).*

The defining areas which lead to engagement and burnout are pecuniary benefits and acknowledgment, organizational and supervisor support perceived equity of rewards and fairness of processes (Masclach *et al.)* The major criticisms of the study are

that describing engagement as an antithesis of burnout is not adequate, as engagement and burnout are two distinct terms. The study undertaken by Kahn (1990) and Maslach *et al* (2001) are significant in terms of defining the necessary antecedents or the drivers for the existence of engagement. But the major drawback of these studies is that they do not provide sufficient justifications as to why individual responds to these drivers with varying scales of engagement.

The time between2006-2010witnessed great deal of work in the area of engagement from academicians. The prime work in this area comes from Saks (2006).Offering support to Kahn's (1990) work on engagement, Saks refers to engagement of employees as a culmination of rational, non-cognitive and behavioral components.

Building and maintaining talent essentiates talent engagement. The talent management approach must be changed. There are various important fundamental theories that lead talent management strategy towards engagement and at the end towards organizational efficacy. The prominent theories those that drive talent management programs to employee engagement include, Resource Based theory (Barney, 1991), Integrated Strategic Change Theory (Worley et al., 1996) , Built – To- Change Theory (Lawler and Worley, 2006)and Talent ship (Boudreau and Ramstad, 2005).

But it is the passion and dedication and commitment of top management that defines the success of talent management. The dedication and sincerity must be preceded from the top management and that needs to percolate and be inducted in the culture. Ready and Conger (2007) have very rightly mentioned the three essential ingredients of an organization's talent management strategy as; dedication engagement, and ownership.

Aims of the Research Study

1. To identify the factors affecting Talent management practices in IT/ ITES industry.

2. To examine the relationship of Talent management practices with employee engagement.

3. To put forward suggestions with a view to enhance Talent management practices in IT/ITES industry.

RESEARCH METHODOLOGY

Sample

The data reported in this paper is to analyze talent management practices in IT/ITES industry. Research adopted the survey approach to collect primary data. As population mean is not known, researcher has used population proportion method to measure and define sample size. The level of confidence and the permissible tolerance error undertaken by the investigator were 95% and at 0.05as population were unidentified. Taking the following aspects into consideration, the needed sample size was 385, and the actual numbers of respondents were 393, were comfortably superior to the threshold. A well thought-out non-disguised questionnaire was developed to seek the data needed for the said research study.

The measuring instruments was passed to the sample of 393 respondents who are working in IT/ITES industry for more than 01 year. The said research study utilized convenience non-probability sampling coupled with exploratory and descriptive design of research. To accomplish the primary aims of the study, factor analysis and multiple regression tests were undertaken.

The Analysis Instruments

All the research instruments utilized in the present study of research are either borrowed or personalized from the previous research studies undertaken in the areas of talent management and engagement. The questionnaire in line with the study was basically bifurcated into two heads. The first head constituted mainly on the elementary information like the demographic details of the respondents, while the second head sought information on the specific dimensions of talent management practices and employee engagement. Pilot testing was executed with an objective to find the reliability of the scale. It was followed by certain minor changes. The responses sought from the respondents were primarily on a 5 point Likert scale ranging from "strongly agree" (5) and "strongly disagree" (1).

DATA ANALYSIS

Descriptive Analysis

The considerable chunk of the respondents were male (n = 308, 78.4%) with only 21.6% as female respondents (n = 85). In present study salaried employees working in IT/ITES industry are only considered for further study.

Reliability Analysis

A questionnaire consists of 29 assorted statements on a 5-point scale. For gauging the content strength, a pretest with 36 respondents was undertaken, which were not counted in the sampling frame. The respondents were requested to critically assess all the facets of the questionnaire which included the phrasing of the specific items, structure and sequencing. The generated suggestions were then incorporated before the final usage.

Table I –consistency figures

N of items	Cronbach's Alpha
36	0.905

Before, delving in deep to examine the factors that explained talent management, the soundness of the scale was gauged by examining its dependability. For the said purpose reliability analysis was undertaken and the said parameter which defined the consistency, the alpha (α) coefficient was calculated. It was found to be 0.905 (more than threshold limit).

Factor Analysis

The major objective behind which the test of factor analysis is administered is data diminution and summarization (Boyd et al., 1989; Crawford and Lomas, 1980). It could be said that the objective is to bring down a sufficiently higher number of experiential

variables into to a lesser set of underlying factors that would be able to represent the crucial character of the primary variables to the extent possible. The said research work sought primarily to extract the underlying dimensions or constructs that aptly explained talent management practices.

Table II - KMO, Bartlett's check of Sphericity & Sig level

Kaiser-Meyer-Olkin Measure of Sampling Sufficiency		0.846
Bartlett's check of Sphericity		
	Approximate. Chi sq	2321
	Significance	.000

The data secured through the survey was examined with the statistical measure of factor analysis in line with the objectives of the research work. The method of Principal Component Analysis was undertaken in specific. The measure of sampling adequacy i.e. KMO was 0.846 which could be termed as satisfactory (Kaiser, 1970). Following ahead the Bartlett's test of sphericity produced a significance level of (0.000) which indicated a respectable degree of association among the variables (Hair et al., 1998). The technique of Principal Component Analysis and Varimax method helped to extract key factors from the set of twenty nine variables; with a qualifying criterion eigen numbers higher than 1. It lead to the extraction of three factors. As per the loadings of variables on these 3 factors, they can be elucidated as:

Table III - piece of music of individual factor identified in factor analysis

Statements	F I	F II	F III
TM2	.843		
TM1	.751		
TM3	.684		
TM9		.756	
TM10		.729	
TM25		.681	
TM18			.847
TM19			.667
TM17			.656

(1) First factor refers to three variables. The groups of variables are concerned with

clear and honest communication from department and organization point of view, so this factor has been given a name **"Organizational and Departmental Communication".** Second factor consists of three variables. The groups of variables are concerned with the opportunities for development. Hence this factor has been given a name "**Opportunities for Development.**" The third factor variables deal with performance evaluation and management. Hence this factor has given a name "**Performance Evaluation and Management**.

With an objective to examine and find out which facet of talent management counted most in envisaging employee engagement in IT/ITES industry, a linear regression was performed. Moreover, the impact of these different talent management factors on employee engagement was gauged by way multiple regression. In multiple regressions, various dimensions of talent management were fed as independent variables and employee engagement was entered as dependent variable. Enter method (simultaneous method) was used where in researchers specifies the set of predictor variables and relative contribution of each predictor in dependent variable.

Table IV - Multiple Regression Analysis

Variables	Employee Engagement		
	B[a]	b[b]	Sig.
Factor I	0.499	0.409	0.000*
Factor II	0.088	0.066	0.196
Factor III	0.027	0.021	0.671
R[2]	0.198		
Adjusted R[2]	0.192		

It was noticed that among the three factors; only 1 was noteworthy at 5% level i.e. factor I that is Organizational and Departmental Communication, while factor II and factor III was not noteworthy in elucidating talent management. In order to know the highest influencing factor, respective regression weights (B values) were considered. As

depicted in the table, Organizational and Departmental Communication (B=0.499) contributed highest.

DISCUSSION

Assembled data were examined with the assistance of SPSS software package. Factor analysis was first used to talent management construct to assess uni-dimensionality (Conway and Huffcutt, 2003). After that multiple regressions test were carried to test the associations. Factor analysis test depicted that 29 items were clustered into three factors. Further, it was found that only **Organizational and Departmental Communication factor was** significant in explaining talent management.

Employees looked forward to crystal clear and inclusive communication from top management and as to how their contribution could suffice with the larger organizational objective and leadership vision. It came as no surprise that poor communication came out as impediment to employee engagement and led to disengagement.

Engagement is impacted by internal communication. It leads to employee involvement with the objectives of the enterprise. Internal Corporate Communication includes organizational activities intended to encourage worker acceptance of its developing aims (Welch and Jackson, 2007).

The findings of the study can help IT/ITES managers to gain useful insights regarding the relative contribution of each of the specific talent management aspects to employee engagement. The study is of value as it would assist organizations to improvise their talent management practices with a view to enhance the engagement of its employees.

The study in its best of efforts has tried to bring forth to light the significant drivers of talent management and engagement. The study would provide insight to the organization and HR practitioners to take engagement from a piece meal approach, since the current workforce employed in IT

industry is in stark contrast to their predecessors in terms of personality, working styles and motivational needs.

It is advisable that organizations should keep a tab on organizational and departmental communication by way of unconventional media like digital blogs and posts. The current generations have an instinctual urge of being a part of the success story of the organization. They are driven by the WISTFM ("What's in store for me") fundamental. So it is advisable that over emphasis on rules and regulations be avoided. The importance of communication could also be brought home to them by way of workshops utilizing contemporary training modules on drama, theatre and neuro linguistic programming etc.

Career progression is at core. It is therefore advisable for the organizations to create ecosystem where the current workforce can see themselves developed.Innovative opportunities for development like stretch assignments, high potential program, and power packed coaching, blended training could be the right pack to pick.

As far as Performance evaluation and management is concerned, current generations addiction to digital gadgets and the other allied means of networking have made them accustomed to continuous and regular feedback. Organizations therefore should realize and abandon the one time ritual of performance evaluation by way of bell shaped review measure to more frequent and constructive mechanism.

Employee engagement is found to have positive tangible and intangible outcomes like customer engagement, successful organizational change, and employee advocacy. The future research could also explore the moderating or mediating role of employee engagement on the said factors. The research studies conducted seeks to offer information on the appreciable and appalling practice in the specific research area. Talent management, as a strategic intervention is not a one step exercise.

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A CASE STUDY ON SHREE KRISHNA HOSPITAL

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ABSTRACT

The performance of any hospital largely depends on efficiency of Human Resources in Hospital. Health care sector is becoming more competitive. All the players in health care sector need to maintain very high standard of health care services to survive and sustain in the market. Shree Krishna hospital (managed by Charutar Arogya Mandal trust) is the most preferred hospital. The hospital got high rank in part of central Gujarat which is known as Charotar Rigion. Professionalism and accountability are the primary focus of Krishna hospital. For last one decade hospital is facing problems of fund as hospital is providing services at highly concessional rate. Shree Krishna Medical charge very nominal fees of registration and consultation. In general wards, hospital provides free stay and diet food to the patients. It manages all emergency case with utmost care. Shree Krishna Medical gives some special benefits to the people who are living below poverty line. To compete with the present standard of health care service quality in India, Shree Krishna Hospital needs major improvement in employees' capability to serve its patients. It spent its entire training budget to impart training to its medical practicing doctors. One of the major problems faced by Human Resource head is how to train hospital staff including executives, officers, clerical staff, technicians, nursing staff without sufficient budget. With a paucity of budget, HR department started behavioral and soft skill training for employees on limited basis. At present one of the crucial issues for HR management is how to signify the impact of these limited training imparted to staff and sustain this programme for exploring and enhancing human resources of hospital.

Keywords: *Human Resources, Health Care Services, Behavioral Training, Training & Development.*

INTRODUCTION

In the month of October, 2014, Human Resource Department head of Krishna Hospital, Mr. Suresh Rajagopalan called meeting of his HR team members to convey the concerns and expectations of top management of organization. He said it is high time now to think about designing some robust plan to improve the efficiency of 1000 plus employees working in Audit, Account, Customer Relationship, Business Development, Corporate Communication, College Administration, Extension Activity Staff, Material Management, Medical Record, Central Research Service, Library, Maintenance, Personnel and Administration, Project, Quality improvement, System, Nursing service, Operation, Patient relationship division of organization.

He stated to his team that hospital is facing problems of fund as we are providing services at highly concessional rate. He emphasized to improve the efficiency of human resources of hospital to serve their patients and maintain high quality standard. Hospital spent its entire training budget to impart training to doctors. As training to doctors directly influences the health care service quality and it is at priority of the hospital. One of the major problems faced by Human Resource head is how to train hospital staff (non doctors) including executives, officer, clerical staff, technician, nursing staff without sufficient budget.

About Organization

Shree Krishna Medical is managed by Charutar Arogya Mandal (CAM). Charutar Arogya Mandal was established 36 years ago as a venture of hope, to offer comprehensive,

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compassionate healthcare to everyone and anyone who needed it. Over the last three and a half decades, millions have walked through the doors of Shree Krishna Hospital, looking for a cure to some of the worst diseases of our time. Without exception, every one of them received world class care. Without exception, every one of them paid only what they could. It's their commitment towards seeing the humanity in people, rather than their bank accounts that makes this possible. Professionalism and accountability is the primary focus of organization. The hospital is situated in rural area, even though affordability and efficiency is highly maintained.

Physical Environment of Shree Krishna Medical is very pleasant. Shree Krishna hospital is the most preferred hospital, managed professionally which gives hospital a higher rank in Gujarat. Shree Krishna Medical charge very nominal fees of registration and consultation. In general wards, hospital provides free stay and diet food to the poor patients. It manages all emergency case with utmost care. Shree Krishna Medical gives special benefits to the people who are living below poverty line.

There are more than 1000 employees who are working in this organization. Hospital is functioning in the field of medical treatment, research and education. Hospital has 550 plus bed with all kind of healthcare facilities including Cancer Care department with affordable charges. The facilities available round the clock by the professional team of doctors equipped with latest technology. It is offering comprehensive healthcare services at an affordable cost and its service is available for 24x7. The fundamental strengths of hospital are competent professionals, State-of-art technology and medical infrastructure, personalized and prompt outdoor services. The organization is running its training programs to improve the overall quality of service and to empower the employs. The present case is on exploring inputs generate through quality enhancement programme. There are many Human Resource related issues which has been discussed in this case.

About Parent Trust

Charutar Arogya Mandal (CAM) was a dream project of late Dr. H M Patel, who was Union Finance and Home minister at that time. CAM established 3 decade ago to provide medical services to the rural community of the Charutar Area which is at the heart of Gujarat State. Hospital had grown along with state of art facilities with affordable fees. The vision of CAM is to offer comprehensive and personalised healthcare, delivered with commitment, compassion and at the most affordable cost to all those in need of it. In the year 1972 CAM registered as society and public trust. CAM focuses on three aspects viz. Medical Facilities to the patients, research in the field of medicine and medical education. CAM run full fledge medical college, called Krishna Medical.

Vision

"We want our institution to shine as an example of what the profession of medicine has to be; noble, deeply rooted in providing solace to the suffering and continually upgrading itself to further its ability to serve humanity."

Core purpose

"To provide and prepare resources for modern and professional healthcare to the community equitably."

Core values

Core value of CAM includes four aspects Commitment, Excellence, Honesty & Integrity.

CAM would strive to be a Centre of Excellence in all that we do; patient care or teaching, research or extension. It offer world class health care services without discrimination and the management believe poor person should not be prevented to get treatment due to lack of money.

Services at Krishna Hospital

There are many services and facilities available in Krishna Hospital which includes General Services, General Specialties, Laboratories Imaging and Critical Care. Krishna hospital also has general ward and

privilege ward. The General Services intended to provide quality care to patients and to ensure satisfaction which ultimately results in meeting the expectations of the community. There is no registration or consultation charge for the General OPD services. Privilege services include silver and silver plus services with additional facilities like air-conditioned rooms with television and attached toilet & bath.

Challenges faced by Human Resources Department

The Human Resources Group continues its efforts to help employees develop their personal and organizational skills and abilities. Hospital is regularly gathering inputs from the professional development group to strengthen Continues Professional Development activities. The HR group is the single-point of contact for all campus institutions to facilitate developmental activities.

Human Resources Department team consists of five personnel led by Mr. Suresh Rajagopalan while all Continuous Professional Development activities have been coordinated by Mr. Nigam Madan. As a part of brain storming exercise Mr. Suresh and Mr. Nigam discuss about the need of training and practical possibilities of conducting training for administrative and technical staff with the help of some professional trainers who are ready to serve on voluntary basis.

It has been observed that employees are lacking professionalism in their approach while dealing with patients in the hospital. Organization is located in rural area therefore it is difficult to get professional staff. Organization is not able to provide very impressive compensation to employees and cannot attract talented professionals of health care sector. It is very difficult to sensitize administrative and supportive staff (other than doctors) to develop patient centric approach. Employees are not satisfied with

compensation which they get from organization. Hence the main constraint of organization is that it cannot provide lucrative salary to its employees. This results in the low motivation of the employees. So the real challenge is to motivate supportive staff for taking initiatives and offering efficient services.

Another major disappointment is that employees who are at leadership cadre or responsible to lead his/her team are not taking any initiative in mentoring employees who are reporting to them. Employees are reluctant to follow standard operating service process. They found to be very casual in their approach. Employees who have been working form last 10 years or more in the organization considered the hospital as typical bureaucratic government hospital. Employees have not been found good in corporate communications. They even didn't know the fundamental principles of communication. Employees don't know the basic principles and techniques to do effective communication through electronic medium.

There are many functions in the hospital where integration and coordination with other department is required. But employees are not considering their department as a team and therefore are not working as a team. They are not able to perform their task in coordination with other departments. There is less organizational commitment towards hospital among employees as they are trying to get better job elsewhere or trying to migrate in some other country. Employees are not enthusiastic to know more about basic fundamentals of health care services especially business and service etiquettes. In this condition it is very difficult to engage employees particularly in training and development activities. Top management wants supportive staff to be trained. HR department must take some initiative to enhance efficiency of supportive staff.

Exhibit- -I: Divisions/Departments (Other than Medical and Doctors)

Sr. No.	Divisions/Departments (Other than Medical and Doctors)	No. of Executive/ Officer/ Head
1	Account	03
2	Audit	01
3	Customer Relationship	08
4	Business Development	03
5	Corporate Communication	03
6	College Administration	03
7	Datary service	01
8	Extension activity	12
9	Fund Raising	02
10	Guest Relation	01
11	Hospitality Services	04
12	Human Resources	05
13	Material Management (Purchase)	09
14	Medical Record	01
15	Central Research Service	04
16	Library	02
17	Maintenance	11
18	Personnel and Administration	08
19	Project	03
20	Quality improvement	09
21	System	09
22	Nursing service	02
23	Operation	02
24	Patient relationship	02

Source: Annual Report 2014-2015, http://www.charutarhealth.org/about-us/annual-reports, retrieved on 1 November 2016

Exhibit-II: Staff Details as at March 31, 2015

Gender	Full Time	Part Time	Consultants	Volunteers (Unpaid)
Male	657	36	39	Nil
Female	688	2	22	Nil

Source: Annual Report, http://www.charutarhealth.org/about-us/annual-reports, retrieved on 1 November 2016

Difficulties to Run Behavioral Training Programme

Basic challenge of running behavioral and soft skill enhancement training programme for Administrative, Nursing and other staff (staff other than doctors) is lack of fund. The basic business model adopted by organization is to charge higher price from high income customer by offering them privilege service in which they need not to wait and revenue generated through this privilege services has been passed to poor patient. Organization cannot allocate sufficient budget to conduct behavioral and soft skill enhancement training programme for administrative and supportive staff. Hospital is providing concessional rate health services worth Rs. 8 Crore every year. Human Resource Department is unable to manage funds for training of staff including administrative staff and other support staff. Management could not provide any budget for training especially for administrative and supportive staff (other than doctors). Hospital kept budget of 30 lakhs for training but it was entirely spent to arrange training programme for doctors. Training for doctors has been given priority because quality of

doctors directly influences the health care services. Some adjustment has been made from other budget like travelling budget and allowance to arrange some necessary training for supportive staff in special case else they don't have any funds for Training to the support staff.

The major concern of management, while taking decision to run continuous learning programme is loss of working hours. Full day training during working days is not practically possible because most of the employees are engaged in emergency services. During holidays employees are not ready to attend such training programmes. Training during the working hours negatively impacts the quality of services in terms of prompt response to patient.

Employees may not take this continuous learning programme very seriously as they are not habituated to attend such programme and it would be difficult for them to shift their attention from work to learning sessions. Employee suffers from preconceived negative mindset which does not allow them to attend such training sessions positively.

It is very difficult to adhere to the monthly schedule of such training programme, as sometimes very poor response is received from potential participants. Sometime because of some critical emergency programmme has to be cancelled or postponed. There is tremendous amount of diversity among employees as they belong to different departments and nature of their job is different. There is much diversity in employees' demographic profile in terms of age, gender, experience etc. At the end of the day it is very difficult to measure and justify the outcome of these training programmes.

Exhibit-III: The Distribution of staff according to salary levels as at March 31, 2015:

Slab of gross salary including benefits paid to staff	Male	Female	Total
Less than Rs. 5000/-	23	32	55
Rs. 5000/- to Rs. 10000/-	215	217	432
Rs. 10000/- to Rs. 25000/-	207	244	451
Rs. 25000/- to Rs. 50000/-	150	146	296
Rs. 50000/- to Rs. 100000/-	72	30	102
Above Rs. 100000/-	65	43	108
Total	732	712	1444

Source: Annual Report, http://www.charutarhealth.org/about-us/annual-reports, retrieved on 1 November 2016

Exhibit-IV: Income and Expenditure (Rs. In Lakhs)

Particulars	2014-15	2013-14
INCOME		
Medical Care		
Treatment Income (Net)	5,209.89	4,868.59
Grants	19.82	36.61
Donations From Community		176.09
Other income	74.49	57.52
	5,304.20	5,138.81
EXPENDITURE		
Medical Care		
Manpower	2,268.77	2,220.62
Cost of Material Consumed	2,376.60	2,137.63
Administrative and other overheads	1,249.18	1,116.28
Depreciation	649.02	540.49
	6,588.57	6,014.92

Source: Annual Report, http://www.charutarhealth.org/about-us/annual-reports, retrieved on 1 November 2016

Exhibit-V: Administrative and Other Overheads (Rs. in lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
(i) For Medical Care		
Electricity	195.14	172.89
Postage & Communication Expenses	11.39	10.82
Advertisement & Publicity Expenses	22.54	8.38
Security Expenses	63.48	45.01
Printing & Stationery Expenses	83.29	66.30
Other Administrative Expenses	155.38	129.78
Interest on overdraft and term loan	224.92	232.94
Repair & Maintenance	448.46	400.16
Provision for doubtful debts for Shree Krishna Arogya Trust	44.58	50.00
	1,249.18	1,116.28

Source: Annual Report, http://www.charutarhealth.org/about-us/annual-reports, retrieved on 1 November 2016

Exhibit-VI: Other Income (Rs. in lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
(i) From Medical Care		
Income from Investment	3.90	0.13
Miscellaneous Income	70.270	56.35
Profit on sale of assets	0.32	1.04
	74.49	57.52

Source: Annual Report, http://www.charutarhealth.org/about-us/annual-reports, retrieved on 1 November 2016

Exhibit-VII: Deficit (Rs. in lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
(Deficit) For the year	(1,209.57)	(875.16)
Interest transferred from Corpus Fund & HM Patel Centenary Corpus Fund	117.92	124.97
(Deficit) Carried to Balance Sheet	(911.65)	(750.19)

Source: Annual Report, http://www.charutarhealth.org/about-us/annual-reports, retrieved on 1 November 2016

Exhibit-VIII: Income Expenditure summery (Rs. in lakhs)

Particulars	2014-15	2013-14
Income	166.99	166.87
Expenditure	53.40	51.95
Surplus of Income over Expenditure	113.59	114.92

Source: Annual Report, http://www.charutarhealth.org/about-us/annual-reports, retrieved on 1 November 2016

Exhibit-IX: Overall Deficits for Six years are as follows: (Rs. in Lakhs)

Years	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
Deficit for the year	1,029.57	875.16	1110.17	1383.18	1040.21	1220.54

Source: Annual Report, http://www.charutarhealth.org/about-us/annual-reports, retrieved on 1 November 2016

Training and Development function at Crossroads

More than 1000 employees are working in this organization. Hospital has over 31 years of experience in the field of medical treatment, research & education. It is a Multi-specialty hospital having 550-bed offering comprehensive healthcare services at an affordable cost. HR department talked about their concerns and constraints to some professional trainers who were ready to

serve on voluntary basis. Since October 2014, Hospital is running two hours short duration training programme for its limited employees. In last two years, 22 such training sessions have been conducted. The primary objective of running such training programme is to improve the overall quality of service and nurture professional approach

of various practical difficulties such as non-availability of trainees, non-availability of employees, clash of training schedule with other important tasks, non-availability of training auditorium sometimes etc. This programme is not going regularly. However it has been consistently organized for last two years despite of all such difficulties.

Exhibit-X: Behavioral Training Schedule for the year 2016

Cadre	Training topics	Hours
Nurses and Paramedical staff	Communication Skills	6
	Team Building & Team Work	6
	Time Management	6
	Personal Grooming & Etiquette	6
	Stress Management	6
	Conflict Management	6
	Leadership for Nurses	6
Technical staff	Interpersonal Skills	6
	Team Building & Team Work	6
	Stress Management	6
	Personal Grooming & Etiquette	6
Clerical staff	Communication Skills (Written)	6
	Team Building & Team Work	6
	Personal Grooming & Etiquette	6
Managerial	Leadership (For Executives)	6
	Team Building & Team Work	6
	Stress Management	6
Class-iv Employee	Personal Grooming & Etiquette	6

Source: Primary data collected from HR Department of Hospital

among supportive staff of hospital. Budget constraint is the major hurdle for arranging training programme frequently. In the beginning short duration training sessions have been organized with the help of professional trainers who are ready to serve without any honorarium.

Organization intended to strengthen the soft skills of its employees in various key areas not only to make them better professional, but also better human being at large. Strive to achieve the overall development of employees; Krishna Hospital has been organizing various behavioral intervention programmes for last two years. Hospital intended to organize behavioral training programme or various cadres of employee focusing at enhancing their core competencies during calendar year 2016 also. Schedule for such training programme has been prepared for the year 2017, but because

HR department collected feedback from trainee at the end of each training session. Trainee participants have been asked to rate 10 criteria measuring effectiveness of training programme in 5 point scale where 1 is strongly disagree, 2 = Agree, 3 Neutral, 4 = Disagree and 5 means strongly agree. Ten criteria are as follow.

1. Training Meeting expectations.
2. Training Objective met
3. Training contain relevant and easily understandable
4. Subject Knowledge of Trainer
5. Training Environment and Friendly trainer
6. Class Participation and Interaction
7. Seating and Room Arrangement
8. Audio Video Support
9. Training Time
10. Usefulness of Learning

Exhibit- -XI: Training Sessions Organized in last Two Years

Sr.	Date of Training	Title of Training	No. of Participants	Target Cadre
1	19.Sep.14	Service With Smile	34	Front Office Staff
2	26.Sep.14	ABCD of Change Management	26	Executives
3	10.Oct.14	Recharge Yourself	29	Office Assistants
4	17.Oct.14	Recharge Yourself	20	Executives
5	21.Nov.14	Learn to Lead	29	Office Assistants
6	28.Nov.14	Learn to Lead	21	Executives
7	19.Dec.14	Recharge Yourself	26	Executives
8	23.Dec.14	Recharge Yourself	18	Office Assistants
9	16.Jan.15	Learn to Lead	15	Office Assistants Pharmacists
10	06.Feb.15	Stress Management	10	Office Assistants
11	13.Feb.15	Change Management	23	Executives
12	27.Feb.15	Learn to Lead	16	Executives
13	27.Mar.15	Recharge Yourself	13	Front Office Staff
14	24.Apr.15	Learn to Lead	12	Office Assistants
15	29.Jul.15	Team Building	17	Executives Office Assistants
16	25.Sep.15	Stress Management	32	Technicians
17	29.Sep.15	Stress Management	18	Technicians
18	20.Mar.16	Celebrating Self	10	Office Assistants
19	12.May.16	Teamwork	25	Office Assistants
20	24.Jun.16	Teamwork	15	Office Assistants
21	15.Jul.16	Grooming & Etiquette	37	Technicians
22	22.Jul.16	Grooming & Etiquette	27	Technicians

Source: Primary data collected from HR Department of Hospital

Exhibit-XII: Measurement of Training Programme Effectiveness

Sr.	Date of Training	Training Module	1	2	3	4	5	6	7	8	9	10	Avg.
1	10.Oct.14	Recharge Yourself	4.5	4.25	4.12	4.37	4.75	3.87	4.12	4.62	4.12	4.62	4.62
2	17.Oct.14	Recharge Yourself	4.42	4.32	4.74	7.74	4.89	4.63	4.32	4.37	4.37	4.37	4.58
3	28.Nov.14	Learn to Lead	4.21	4.16	4.26	4.37	4.63	4.42	4.37	4.32	3.89	4.21	4.32
4	21.Nov.14	Learn to Lead	4.26	4.17	4.35	4.43	4.61	4.43	4.13	4.30	4.35	4.43	4.30
5	19.Dec.14	Recharge Yourself	4.35	4.59	4.41	4.47	4.70	4.09	3.97	4.05	4.13	4.20	4.19
6	23.Dec.14	Recharge Yourself	4.25	4.27	4.12	4.46	4.51	4.11	4.01	4.14	3.99	4.9	4.38
7	20.Mar.16	Celebrating Self	4.60	4.40	4.70	4.60	4.50	4.30	4.50	4.70	4.60	4.80	4.50
8	27.Feb.15	Learn to Lead	4.37	4.30	4.38	4.49	4.65	4.26	4.20	4.35	4.27	4.39	4.41
9	13.Feb.15	Change Management	4.28	4.33	4.28	4.44	4.78	4.17	4.28	4.44	4.33	4.44	4.39
10	27.Mar.15	Recharge Yourself	4.25	4.00	4.33	4.42	4.58	4.17	3.83	4.08	4.25	4.50	4.33
11	06.Feb.15	Stress Management	4.50	4.50	4.80	4.70	4.90	4.70	4.40	3.80	4.70	4.90	4.50
12	16.Jan.15	Learn to Lead	4.53	4.40	4.87	3.93	4.60	4.60	4.60	4.53	4.27	4.67	4.47
13	25.Sep.15	Stress Management	4.30	4.20	4.50	4.77	4.77	4.43	4.27	4.07	4.60	4.73	4.60
14	29.Sep.15	Stress Management	4.27	4.32	4.68	4.59	4.28	4.27	4.18	4.09	4.32	4.64	4.50
15	12.May.16	Teamwork	4.30	4.22	4.61	4.48	4.61	4.39	4.65	4.35	4.30	4.35	4.35
16	24.Jun.16	Teamwork	4.13	4.07	4.33	4.20	4.27	4.20	4.64	4.00	4.00	4.33	4.20
17	15.Jul.16	Grooming & Etiquette	4.26	4.26	4.35	4.35	4.52	4.04	4.00	4.26	4.30	4.74	4.17
18	22.Jul.16	Grooming & Etiquette	4.23	4.12	4.43	4.34	4.47	4.21	4.44	4.20	4.20	4.47	4.24
	Average		4.33	4.27	4.46	4.45	4.64	4.29	4.27	4.26	4.28	4.49	4.39

Source: Primary data collected from HR Department of Hospital

It can be concluded that such training programme are fulfilling expectations of management and meeting training objectives. Training content was found to be relevant and easy to be understood. They were also satisfied with the subject knowledge and level of interaction with the trainers. Training infrastructure was found to be well organized. Employees perceived that such training sessions are useful for them to improve.

HR department shared insights gather through feedback with top management but top management raised one valid question that what is the impact of such training programme? Do you have any documentary proof which shows significant change in the performance of employees before training and after training? Thus now Mr. Suresh and Mr. Nigam again disused with HR team that how to establish linked of training programme and its positive impact on the performance of employees. So now there were basic two questions faced by HR head is how to sustain and improve such training programme? How to signify the impact of such training programme in future?

Assignment Questions

I. What are the major challenges and concern of Human Resource department of Krishna Hospital?

II. How to sustain the Continuous Professional Development (CPD) programme for supportive and administrative staff at Krishna Hospital?

III. What are the various other ways than training to explore and enhance the efficiency of human resources at Krishna Hospital?

IV. How does Human Resource Department measure the impact of training on the performance of employees?

V. Suggest appropriate training module and training methods for behavioral and soft skills enhancement in health care sector.

Mandatory Reading

Smith, Bucklin & Associates, *The Complete Guide to Nonprofit Management*, John Wiley And Sons Ltd, 2000.

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AVAILABILITY OF FINANCIAL INCLUSION IN INDIA: AN INTERSTATE ANALYSIS

Kajole Nanda[1]

ABSTRACT

Financial Inclusion is such a process that aims to cover each individual in the economy in the canopy of formal finance, by providing them timely and adequate financial services, and that too at an affordable cost. Ensuring access and availability to basic banking services are the very basis of financial inclusion. Although the Government of India is trying laboriously to ensure inclusion of 'every individual', there is a great disparity in the inclusion stance of different states of the country. The current article is an aim in this regard, and brings out the discrepancy across the Indian states in terms of the 'availability' aspect of financial inclusion. The results highlight that there is a wide and vivid gap between the 'banking availability' levels of the Northern states vis-s-vis the North Eastern States of the country. The efforts need to therefore be streamlined towards those in the economically downtrodden states of the country to up-pace the effectiveness of the task of financial inclusion in the country.

Keywords: *Financial Inclusion, Financial Availability, Bank Availability.*

Introduction

Driven by the objective of reaching out to the 'bottom of the pyramid', financial inclusion assumes an overtly important role in a class inequality smitten, developing country like India. For a country, characterized by a wide and a vivid gap in the inclusion stance across geographic areas and socioeconomic classes; the need for a study focusing on the extent and adequacy of financial access and availability becomes explicit. The need becomes even more pronounced for facilitating a comparison of the status of financial inclusion, before and after 2005-06 (the period wherein RBI directed banks to make financial inclusion a policy objective).

According to RBI's Financial Inclusion Plan, (FIP) 2010, every village, located in even the remotest corner of the country, with a population greater than 2000, needs to be financially covered through a bank or any other means of Point of Sale (PoS). Availability of banks in the form of brick and mortar branches, ATMs, internet or mobile banking helps in the adequate utilization of financial services. The need, however, of physical brick and mortar branches, even in

an age of technological revolution and branchless banking cannot be ruled out. Considering demographic penetration as a measure of banks' outreach in being available to an adequate number of individuals; the number of bank branches per 1,00,000 adults has been used as a measure for it. Higher demographic branch availability can therefore be considered as a testimonial of easier access, owing to fewer potential clients per outlet (Ravi Kumar, 2013).

Geographic branch availability or geographic branch penetration is one of the most important measures of financial inclusion (Beck et al, 2007; Chakravarty and Pal, 2010). Penetration of branches is important to ensure availability of branches to people in terms of geographic access (Ravikumar, 2013). Number of branches of SCBs per 1000 square kilometers has, therefore, been used as a measure for it. Higher geographic bank availability has implications for shorter distance to banks, and thus, unproblematic geographic access. Ensuring penetration of branches at reasonably small distances is therefore, essential to ensure greater bank linkage (with individuals). ATM availability is another significant dimension of financial inclusion, but the same could not be incorporated in the current research, due to paucity of consistent data pertaining to it.

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Defining Financial Inclusion

In the earlier periods, the term 'financial exclusion', was used to highlight limitations in access to the banking network (Anderloni et al., 2008). Before the era of liberalization, the term was used to describe both, demand and supply side bottlenecks to adequate financial access (Rahim et al, 2009). Early literature on financial exclusion has been defining it in the broader context of social exclusion (Kempson and Whyley, 1999; Sarma, 2008). The modern day definitions of financial inclusion consider its importance in not only providing access to the formal financial system, but also in ensuring the availability of timely, easy and affordable range of financial products and services to the vulnerable groups (RBI, 2008).

Development agendas today, thus consider inclusion as means, and not an end in solving the developmental problems (Kodan and Chhikara, 2013). An inclusive financial system not only helps to enhance efficiency and welfare of the population at large, but also facilitates effective utilization of productive resources, thereby reducing the cost of capital (Sarma, 2012). In addition, it also improves the management of finances and prevents the growth of informal sources of credit supply (such as moneylenders), which are often found to be exploitative (Sarma, 2008). Various definitions of financial inclusion, proposed by different authors and/or institutions have been presented in a summarized form in Table 1

Table 1: Definitions of Financial Inclusion/Exclusion

Title	Author/Institution	Year	Term	Definition
Geographies of Financial Exclusion: Financial Adandonment in Britain and United States	Leyshon and Thrift	1995	Financial Exclusion	"The processes that serve to prevent certain social groups and individuals from gaining access to the formal financial system"
Repot of the Committee on Financial Inclusion, India	Rangarajan Committee (RBI)	2008	Financial Inclusion	"The process of ensuring access to financial services and timely and adequate availability of credit where needed by vulnerable groups such as the weaker sections and low income groups at an affordable cost".
Access to Finance and Development: Theory and Measurement	World Bank	2008	Financial Inclusion	"Broad access to financial services implies an absence of price and non price barriers in the use of financial services".
Index of Financial Inclusion – A measure of financial sector inclusiveness	Mandira Sarma	2012	Financial Inclusion	"A process that ensures the ease of access, availability and usage of formal financial system for all members of an economy".

Source: Author's compilation on the basis of review of literature.

Database and Research Methodology

- *Sample and Reference Period*

The study spans 25 states, 4 union territories and 6 geographic areas of the country; and considers a period from April 1994 to March 2014.

- *Database*

Data for the indicators has been sourced from RBI's Basic Statistical Repost of Scheduled Commercial Banks in India, and the Census of India Reports for various years.

- *Methodology*

The scores for the demographic and geographic availability of financial inclusion have been arrived at by computing number of bank branches per 1,00,000 adults, and per 1000 kilometer square respectively, for all states, UTs and the geographical areas. They have subsequently been analyzed using descriptive statistics and Compounded Annual Growth Rates (CAGRs).

Results and Discussion

- *Demographic Availability*

Tables 2 (a) and (b) reflect the country's elevation from 11.316 branches per 1,00,000 adults in 1994-95, to 13.845 in 2013-14. Further, the mean demographic branch availability increased from 13.527 in 1994-95, to 17.712 in 2013-14. While the highest value for demographic branch availability increased from 31.519 in 1994-95, to 54.204 in 2013-14; the minimum value, however, marginally declined from 7.044 in 1994-95, to 6.339 in 2013-14. This, in turn, clarifies presence and even increase in variability in terms of demographic availability across the areas.

Region-wise, demographic availability of bank branches was observed to be high in the Northern, Southern and Western regions; while it was low in in Central, Eastern and North Eastern regions. State-wise (including UTs), Chandigarh (1994-95 to 1998-99) and Goa (1999-2000 and thereafter) demonstrated highest penetration of bank branches per 1,00,000 adults during different years. The demographic availability in Manipur emerged to be the least. With the exceptions of Mizoram, Meghalaya and Arunachal Pradesh, all North-Eastern states exhibited inferior demographic branch availability. The coefficient of variation, increased from 40.0 per cent in 1994-95 per cent to 56.5 in 2013, depicting increasing inter-region/state variability in demographic bank availability.

Table 3 reflects a CAGR of meager 0.602 per cent in terms of demographic branch availability in the country. This however, does not mean stagnation in growth of the number of bank branches. The bank branches in the country have although almost doubled from 63790 branches (in absolute terms) in 1994-95, to 120857 in 2013-14 (Basic Statistical Returns of Scheduled Commercial Banks, various issues), but the population has increased at a faster rate and has resulted in a low CAGR. However, the growth rates (CAGRs) of Southern (1.207 per cent) and Northern (1.106 per cent) regions were found to be greater than the all-India growth rate (CAGR). On the downward side, the growth rates of the Eastern and North-Eastern regions were found to be negative. Considering the growth rates in the states, it was only in Sikkim, Haryana and Kerala, that the demographic branch availability exhibited a CAGR greater than 2 per cent. In most of other states and UTs, the CAGRs were found to be extremely low. The figures iterated almost neglible (and even negative) CAGRs in the states of the North-Eastern region. Compared to earlier periods, it was only during 2009-10 to 2013-14, that the regions/states UTs depicted moderate average annual growth rates.

Table 2(a): Extent of Demographic Availability of Bank (SCBs) Branches in India.

REGION/ STATE/ UNION TERRITORY	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
NORTHERN REGION	14.172	14.028	13.883	13.772	13.646	13.370	13.138	12.971	12.779	12.645	12.675	12.627	12.906	13.517	13.907	14.533	15.185	16.379	17.543	19.110
Haryana	12.485	12.285	12.172	12.214	12.130	11.874	11.684	11.621	11.585	11.507	11.547	11.709	12.061	12.824	13.390	14.485	15.546	16.987	18.655	21.070
Himachal Pradesh	21.637	21.170	20.739	20.501	20.135	19.725	19.274	18.929	18.657	18.297	18.214	18.150	18.689	19.265	19.978	20.820	21.623	22.918	24.406	26.244
Jammu & Kashmir	14.881	14.522	14.207	13.950	13.747	13.432	13.123	13.038	12.737	12.575	12.542	12.210	12.200	12.623	12.784	12.842	12.877	14.459	16.063	17.638
Punjab	16.190	16.283	16.323	16.345	16.267	16.045	15.813	15.708	15.629	15.500	15.572	15.573	15.988	16.723	17.191	18.199	19.301	21.080	23.046	25.779
Rajasthan	11.481	11.379	11.190	10.976	10.799	10.529	10.300	10.072	9.823	9.608	9.504	9.324	9.426	9.738	9.845	10.069	10.403	11.079	11.696	12.536
Chandigarh	30.832	31.439	32.526	32.937	33.445	33.359	32.742	31.968	32.525	33.196	34.265	35.131	36.792	39.886	41.483	43.127	43.649	46.031	47.550	49.593
Delhi	18.056	17.595	17.353	17.240	17.241	16.838	16.674	16.484	16.204	16.405	16.920	17.166	17.817	19.124	20.172	21.229	22.124	23.562	24.287	25.276
NORTH EASTERN REGION	9.532	9.318	9.118	8.890	8.672	8.441	8.245	7.975	7.762	7.617	7.537	7.392	7.424	7.551	7.719	7.843	8.035	8.439	8.932	9.862
Arunachal Pradesh	12.495	12.197	11.905	11.621	11.343	11.073	10.808	10.550	10.231	9.634	9.483	9.332	9.443	9.412	9.498	9.570	9.977	10.800	11.565	13.544
Assam	8.848	8.693	8.534	8.332	8.142	7.930	7.785	7.529	7.317	7.203	7.130	6.974	6.999	7.160	7.269	7.384	7.555	7.824	8.164	8.874
Manipur	7.044	6.813	6.666	6.522	6.455	6.316	5.898	5.428	5.261	5.036	4.882	4.732	4.528	4.333	4.477	4.339	4.311	4.732	5.417	6.339
Meghalaya	16.427	15.970	15.526	15.095	14.675	14.347	13.948	13.560	13.246	12.868	12.707	12.611	12.445	12.216	12.540	12.657	12.758	13.291	13.947	15.136
Mizoram	17.233	16.688	16.160	15.649	15.154	14.675	14.211	13.936	13.416	13.078	12.911	12.586	13.036	13.456	13.701	13.925	13.851	14.988	16.060	18.094
Nagaland	8.281	7.857	7.454	6.973	6.615	6.188	5.954	5.649	5.631	5.613	5.752	5.734	6.107	6.321	6.612	6.979	7.343	8.320	9.522	10.793
Tripura	10.206	9.873	9.655	9.494	9.234	9.031	8.832	8.684	8.444	8.346	8.205	8.065	8.096	8.328	8.787	9.025	9.518	10.210	11.087	12.749
EASTERN REGION	9.558	9.390	9.202	9.060	8.910	8.748	8.567	8.403	8.201	8.058	7.983	7.862	7.867	8.021	8.146	8.361	8.612	9.086	9.488	10.283
Bihar	9.219	9.029	8.834	8.676	8.504	8.312	8.127	7.939	7.735	7.568	7.442	7.274	7.205	7.257	7.358	7.620	7.801	8.233	8.645	9.479
Orissa	10.182	10.022	9.810	9.735	9.672	9.523	9.347	9.220	9.039	8.901	8.864	8.800	8.994	9.384	9.727	10.039	10.371	11.146	11.719	12.906
Sikkim	15.543	14.979	14.436	13.912	13.407	14.151	13.934	13.714	13.393	13.353	14.637	14.555	15.483	17.600	17.188	17.496	18.934	20.069	21.582	24.303
West Bengal	9.607	9.464	9.299	9.152	8.992	8.857	8.681	8.533	8.327	8.210	8.173	8.086	8.088	8.255	8.322	8.441	8.736	9.124	9.430	9.989

	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Andaman & Nicobar Islands	15.261	15.239	14.726	14.230	13.751	13.288	12.841	12.408	12.235	12.454	12.664	12.865	13.805	13.612	13.422	13.235	14.814	15.998	18.175	19.950
CENTRAL REGION	10.182	9.998	9.825	9.664	9.533	9.321	9.149	8.993	8.745	8.566	8.450	8.292	8.299	8.577	8.821	9.138	9.369	10.004	10.540	11.460
Madhya Pradesh	10.535	10.294	10.121	9.899	9.736	9.543	9.363	9.143	8.870	8.654	8.518	8.292	8.275	8.483	8.756	9.015	9.206	9.762	10.245	11.070
Uttar Pradesh	10.010	9.855	9.681	9.550	9.434	9.214	9.045	8.920	8.684	8.523	8.417	8.293	8.310	8.624	8.852	9.198	9.450	10.122	10.684	11.652
WESTERN REGION	11.684	11.507	11.408	11.285	11.195	10.973	10.813	10.546	10.292	10.138	10.092	9.962	10.049	10.390	10.719	11.208	11.660	12.448	13.142	14.105
Goa	31.519	31.807	31.963	33.065	33.378	33.256	33.530	33.286	33.084	32.979	33.541	33.707	34.890	37.331	38.252	39.864	41.789	45.770	49.477	54.204
Gujarat	12.594	12.244	12.084	11.882	11.740	11.548	11.394	11.030	10.754	10.583	10.453	10.305	10.428	10.789	11.111	11.589	12.140	12.976	13.907	15.065
Maharashtra	10.890	10.797	10.730	10.631	10.563	10.327	10.159	9.947	9.707	9.563	9.556	9.433	9.489	9.793	10.121	10.604	10.987	11.710	12.243	13.059
SOUTHERN REGION	12.540	12.476	12.385	12.285	12.241	12.141	12.015	11.853	11.717	11.608	11.663	11.591	11.817	12.404	12.863	13.427	13.934	14.999	16.009	17.212
Andhra Pradesh	10.926	10.824	10.726	10.631	10.571	10.520	10.397	10.287	10.186	10.075	10.111	10.034	10.183	10.823	11.300	11.927	12.432	13.436	14.400	15.391
Karnataka	14.789	14.662	14.499	14.348	14.268	14.099	13.893	13.648	13.426	13.274	13.296	13.157	13.327	13.769	14.138	14.569	14.806	15.851	16.932	18.313
Kerala	14.660	14.647	14.607	14.584	14.585	14.518	14.501	14.529	14.604	14.730	14.970	15.090	15.554	16.215	16.736	17.474	18.515	19.600	21.086	22.561
Tamil Nadu	11.519	11.516	11.459	11.355	11.325	11.197	11.074	10.825	10.619	10.443	10.459	10.364	10.613	11.226	11.709	12.226	12.710	13.874	14.680	15.871
Pondicherry	12.409	12.429	12.280	11.976	12.286	12.721	12.406	11.817	11.618	11.155	11.612	11.532	12.179	13.252	14.715	16.196	17.255	18.029	19.156	20.403
ALL-INDIA	11.316	11.170	11.028	10.896	10.786	10.602	10.433	10.251	10.045	9.899	9.861	9.747	9.851	10.218	10.512	10.920	11.302	12.085	12.800	13.845

Note: Demographic Availability is the number of branches of Scheduled Commercial Banks (SCBs) per 1,00,000 adults.
Source: Based on data provided in Basic Statistical Returns of Scheduled Commercial Banks (various issues) and Census of India Reports (1991, 2001 and 2011).

Table 2(b): Descriptive Statistics of Demographic Availability of Bank (SCBs) Branches.

Descriptive	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Mean	13.527	13.351	13.185	13.041	12.908	12.726	12.505	12.261	12.071	11.942	12.021	11.966	12.252	12.808	13.189	13.676	14.216	15.238	16.271	17.712
Min	7.044	6.813	6.666	6.522	6.455	6.188	5.898	5.428	5.261	5.036	4.882	4.732	4.528	4.333	4.477	4.339	4.311	4.732	5.417	6.339
Max	31.519	31.807	32.526	33.065	33.445	33.359	33.530	33.286	33.084	33.196	34.265	35.131	36.792	39.886	41.483	43.127	43.649	46.031	49.477	54.204
Median	12.409	12.197	11.905	11.621	11.343	11.197	11.074	10.825	10.619	10.443	10.453	10.305	10.428	10.823	11.300	11.927	12.432	13.291	13.947	15.136
Standard Deviation	5.405	5.505	5.642	5.823	5.927	5.937	5.934	5.881	5.952	6.047	6.261	6.412	6.755	7.375	7.630	7.992	8.270	8.877	9.388	10.007

Coefficient of Variation (%)	40.00	41.20	42.80	44.70	45.90	46.70	47.50	48.00	49.30	50.60	52.10	53.60	55.10	57.60	57.90	58.40	58.20	58.30	57.70	56.50
All-India demographic availability of banking services	11	11.170	11.028	10.896	10.786	10.602	10.433	10.251	10.045	9.899	9.861	9.747	9.851	10.218	10.512	10.920	11.302	12.085	12.800	13.845
Total Number of Observations	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Number of States/UTS/Regions with demographic availability greater than mean value	13	13	13	13	13	13	13	13	13	13	13	13	12	13	13	12	12	12	12	13
Number of States/UTS/Regions with demographic availability less than mean value	22	22	22	22	22	22	22	22	22	22	22	22	23	22	22	23	23	23	23	22
Number of States/UTS/Regions with demographic availability greater than all-India availability of banking services	21	21	21	21	21	20	20	21	21	20	20	20	20	20	20	20	20	20	20	20
Number of States/UTS/Regions with demographic availability less than all-India availability of banking services	14	14	14	14	14	15	15	14	14	15	15	15	15	15	15	15	15	15	15	15
Skewness	2.117	2.206	2.320	2.423	2.488	2.492	2.513	2.481	2.526	2.556	2.553	2.579	2.564	2.586	2.594	2.557	2.458	2.462	2.419	2.404
Kurtosis	5.121	5.601	6.180	6.684	7.025	7.103	7.241	7.133	7.306	7.434	7.415	7.536	7.463	7.579	7.637	7.447	6.912	6.929	6.754	6.759
Jarque Bera	55.930	64.135	75.054	85.434	92.720	94.133	97.051	94.344	98.541	101.634	101.207	104.058	102.328	105.041	106.299	101.861	90.040	90.421	86.402	86.031
Probability	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Source: Author's own calculations based on Table 1 (a).

Table 3: Growth Rates of Demographic Availability of Bank Branches

REGION/STATE/UNION TERRITORY	Average Annual Growth Rate 1994-95 to 1998-99	Average Annual Growth Rate 1999-00 to 2003-04	Average Annual Growth Rate 2004-05 to 2008-09	Average Annual Growth Rate 2009-10 to 2013-14	CAGR
NORTHERN REGION	-1.157	-1.059	2.791	7.096	1.106*(2.945)
Haryana	-0.995	-0.555	4.666	9.839	2.224*(4.631)
Himachal Pradesh	-1.833	-1.579	2.723	5.967	0.602***(1.78)
Jammu & Kashmir	-2.027	-1.358	0.493	8.365	0.200(0.445)
Punjab	-0.177	-0.596	3.187	9.114	1.715*(4.376)
Rajasthan	-1.714	-2.026	1.177	5.642	0.000(-0.224)
Chandigarh	1.595	0.563	4.726	3.566	2.429*(10.513)
Delhi	-1.382	0.113	4.660	4.465	1.918*(5.416)
NORTH-EASTERN REGION	-2.403	-2.236	0.810	5.932	-0.399(-1.233)
Arunachal Pradesh	-2.388	-3.041	0.188	9.174	-0.598(-1.407)
Assam	-2.167	-2.100	0.716	4.728	-0.499(-1.664)
Manipur	-2.156	-5.000	-2.286	10.153	-2.078*(-4.258)
Meghalaya	-2.671	-2.397	-0.064	4.609	-0.995*(-3.346)
Mizoram	-3.163	-2.526	1.547	6.874	-0.399(0.912)
Nagaland	-5.660	-1.412	3.968	11.581	1.005(1.36)
Tripura	-2.416	-1.899	1.954	9.078	0.401(0.947)
EASTERN REGION	-1.755	-1.812	0.940	5.327	-0.100(-0.389)
Bihar	-2.050	-2.186	0.492	5.642	-0.499(-1.506)
Orissa	-1.327	-1.422	2.536	6.511	0.803**(2.24)
Sikkim	-1.793	0.773	3.788	8.591	2.327*(5.511)
West Bengal	-1.613	-1.591	0.653	4.304	-0.200(-0.649)
Andaman & Nicobar Islands	-2.723	-0.932	0.942	10.825	0.803(1.689)
CENTRAL REGION	-1.750	-1.942	1.600	5.849	0.100(0.225)
Madhya Pradesh	-1.959	-2.246	1.167	5.290	-0.300(-0.829)
Uttar Pradesh	-1.643	-1.791	1.812	6.116	0.200(0.719)
WESTERN REGION	-1.248	-1.656	2.140	5.923	0.501(1.468)
Goa	1.087	0.175	3.537	8.002	2.327*(7.424)
Gujarat	-1.717	-1.969	2.105	6.785	0.401(1.104)
Maharashtra	-1.055	-1.537	2.126	5.353	0.501(1.522)
SOUTHERN REGION	-0.644	-0.799	2.878	6.417	1.207*(3.732)
Andhra Pradesh	-0.756	-0.788	3.393	6.592	1.410*(3.935)
Karnataka	-0.952	-1.164	1.859	5.916	0.602***(2.063)
Kerala	-0.195	0.617	3.150	6.598	2.020*(6.947)
Tamil Nadu	-0.565	-1.351	3.198	6.760	1.207*(3.193)
Pondicherry	0.522	-1.760	6.967	5.946	2.429*(5.043)
ALL-INDIA	-1.295	-1.437	2.080	6.127	0.602(1.703)

Source: Based on data provided in Table 2(a).

*Notes: CAGR is the Compounded Annual Growth Rate; All figures are in percentage form; Figures in parenthesis indicate t-values; *, **, *** indicate significance at 99 per cent, 95 per cent and 90 per cent confidence levels, respectively.*

- *Geographic Availability*

Tables 4(a) and (b) reflect a surge in geographic branch penetration of the country from 19.402 branches per 1000 square kilometers in 1994-95, to 36.772 in 2013-14. However, the geographic penetration score of the country indicates that people have to travel considerable distance to avail banking services. The mean geographic penetration score more than doubled from 85.621 in 1994-95, to 215.576 in 2013-14. While the maximum value for geographic penetration soared from 1315.789 in 1994-95, to 1938.596 in 2003-04, and 3578.947 in 2013-14; the minimum value could only increase scantily from 0.824 in 1994-95 to 1.528 in 2013-14. This, therefore, testifies presence and increase in the inter-region/state discrepancies. Owing to increase in the gap between the best and worst geographically included regions and states (and UTs), the indicator of the inter-region/state variability (CV), rose from an already high 300 per cent in 1994-95 to 321.11 per cent in 2013-14.

Region-wise analyses reveal that the geographic branch availability in the Southern, Eastern and Western regions is high, and also greater than (or equal to) the geographic availability of bank branches in India as a whole. North Eastern region, owing to a deficient bank network, exhibited not only the least, but also inadequate geographic branch penetration. In addition to the inter-region variability, existence of intra-region discrepancy was found to be acute in the Northern region. In the Northern region, the geographic penetration of Chandigarh (348.947 in 2013-14) and Delhi, (2194.875 in 2013-14) was found to be in sharp contrast to that of Jammu and Kashmir (6.907 in 2013-14) and Rajasthan (17.260 in 2013-14). Reflecting the poorest level of geographic bank access, bank availability in Arunachal Pradesh was found to be less than one (per 1000 kilometer square) for most of the years.

Table 5 reflects a growth rate (CAGR) of 2.942 per cent in geographical branch availability for the country as a whole. The Northern (3.769 per cent) and Southern (3.149 per cent) regions exhibited CAGRs greater than the growth rate (CAGR) in geographic availability for India as a whole. Not only was the geographic availability poorest in the North East, similar was the position of its growth rate (CAGR 1.918 per cent). The states and UTs of Pondicherry (5.338 per cent), Sikkim (5.232 per cent), Delhi (5.232 per cent), Chandigarh (5.232 per cent), Haryana (5.127 per cent), Punjab (3.977 per cent), Goa (3.769 per cent), Andhra Pradesh (3.355 per cent), Tamil Nadu (3.045 per cent) and Kerala (3.045 per cent) exhibited CAGRs, greater than the all-India value (CAGR). Experiencing growth from 3.941 bank branches per 1000 km square in 1994-95, to 6.002 in 2013-14; the state of Manipur exhibited the poorest CAGR of 0.803 per cent. Period-wise analysis revealed that the regions/UTs/states experienced higher average annual growth during 2004-05 to 2008-09, and 2009-10 to 2013-14. The average annual growth rates during all earlier years were found to be very low.

Table 4 (a): Extent of Geographic Availability of Bank (SCBs) Branches in India.

REGION/ STATE/ UNION TERRITORY	Years																			
	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
NORTHERN REGION	13.745	13.990	14.235	14.520	14.794	14.904	15.060	15.291	15.458	15.696	16.144	16.502	17.309	18.602	19.641	21.062	22.582	24.996	27.475	30.713
Haryana	30.874	31.304	31.960	33.045	33.814	34.108	34.583	35.443	36.325	37.094	38.270	39.899	42.251	46.187	49.579	55.143	60.843	68.352	77.174	89.614
Himachal Pradesh	13.813	13.831	13.867	14.028	14.100	14.136	14.136	14.208	14.280	14.280	14.495	14.729	15.465	16.256	17.190	18.267	19.345	20.908	22.704	24.895
Jammu & Kashmir	3.627	3.631	3.645	3.672	3.712	3.721	3.730	3.802	3.807	3.852	3.937	3.928	4.023	4.266	4.428	4.558	4.684	5.391	6.138	6.907
Punjab	45.372	46.722	47.953	49.164	50.097	50.594	51.050	51.924	52.778	53.473	54.883	56.074	58.814	62.845	66.002	71.383	77.340	86.295	96.382	110.143
Rajasthan	9.406	9.569	9.660	9.727	9.824	9.832	9.873	9.911	9.940	9.999	10.171	10.262	10.668	11.334	11.784	12.395	13.169	14.423	15.659	17.260
Chandigarh	1315.789	1394.737	1500.000	1578.947	1666.667	1728.070	1763.158	1789.474	1859.649	1938.596	2043.860	2140.350	2289.474	2535.088	2692.982	2859.649	2956.140	3184.211	3359.649	3578.947
Delhi	844.235	858.395	883.345	915.711	955.496	973.702	1006.069	1037.761	1047.876	1089.683	1154.417	1202.967	1282.535	1414.026	1532.030	1656.102	1772.758	1939.312	2053.270	2194.875
NORTH EASTERN REGION	7.578	7.590	7.609	7.601	7.598	7.578	7.586	7.519	7.488	7.519	7.613	7.641	7.852	8.174	8.550	8.891	9.322	10.020	10.855	12.267
Arunachal Pradesh	0.824	0.824	0.824	0.824	0.824	0.824	0.824	0.824	0.824	0.800	0.812	0.824	0.860	0.884	0.919	0.955	1.027	1.146	1.266	1.528
Assam	16.064	16.140	16.204	16.178	16.166	16.102	16.166	15.987	15.898	16.013	16.217	16.229	16.663	17.441	18.116	18.830	19.710	20.895	22.298	24.797
Manipur	3.941	3.897	3.897	3.897	3.941	3.941	3.762	3.538	3.538	3.494	3.494	3.494	3.449	3.404	3.628	3.628	3.717	4.210	4.972	6.002
Meghalaya	8.025	8.025	8.025	8.025	8.025	8.070	8.070	8.070	8.114	8.114	8.248	8.427	8.560	8.650	9.140	9.497	9.853	10.567	11.414	12.751
Mizoram	3.747	3.747	3.747	3.747	3.747	3.747	3.747	3.795	3.747	3.747	3.795	3.795	4.032	4.269	4.459	4.649	4.744	5.265	5.787	6.688
Nagaland	4.343	4.343	4.343	4.283	4.283	4.222	4.283	4.283	4.283	4.283	4.403	4.403	4.705	4.886	5.127	5.429	5.730	6.514	7.479	8.505
Tripura	17.643	17.452	17.452	17.547	17.452	17.452	17.452	17.547	17.452	17.643	17.738	17.833	18.310	19.264	20.790	21.839	23.555	25.844	28.705	33.759
EASTERN REGION	26.810	26.946	27.015	27.214	27.380	27.502	27.555	27.652	27.617	27.769	28.157	28.380	29.061	30.326	31.521	33.110	34.906	37.689	40.281	44.678
Bihar	28.670	28.773	28.848	29.032	29.159	29.205	29.262	29.291	29.279	29.394	29.659	29.745	30.228	31.240	32.500	34.530	36.273	39.281	42.317	47.608
Orissa	13.994	14.046	14.020	14.187	14.373	14.431	14.444	14.527	14.521	14.579	14.803	14.983	15.613	16.608	17.552	18.471	19.453	21.316	22.851	25.657
Sikkim	5.919	5.919	5.919	5.919	5.919	6.483	6.623	6.764	6.764	6.905	7.751	7.892	8.596	10.006	10.006	10.428	11.556	12.542	13.811	15.924
West Bengal	49.475	49.835	50.072	50.388	50.624	50.985	51.097	51.357	51.221	51.616	52.517	53.103	54.286	56.630	58.342	60.483	63.976	68.291	72.134	78.094
Andaman & Nicobar Islands	3.637	3.758	3.758	3.758	3.758	3.758	3.758	3.758	3.758	3.879	4.000	4.122	4.485	4.485	4.485	4.485	5.092	5.576	6.425	7.152
CENTRAL REGION	18.002	18.085	18.180	18.294	18.460	18.466	18.542	18.645	18.617	18.726	18.968	19.115	19.643	20.848	22.015	23.419	24.658	27.035	29.248	32.657
Madhya Pradesh	10.128	10.125	10.186	10.193	10.258	10.288	10.328	10.319	10.285	10.310	10.425	10.427	10.691	11.260	11.941	12.631	13.251	14.437	15.567	17.281
Uttar Pradesh	29.863	30.074	30.220	30.495	30.814	30.783	30.913	31.184	31.167	31.402	31.836	32.200	33.127	35.291	37.190	39.669	41.839	46.011	49.855	55.817
WESTERN REGION	19.340	19.545	19.886	20.188	20.550	20.670	20.903	20.923	20.881	21.033	21.413	21.614	22.298	23.577	24.874	26.598	28.297	30.894	33.356	36.611
Goa	75.095	77.256	79.146	83.468	85.900	87.250	89.681	90.762	91.302	92.112	94.814	96.434	101.026	109.400	113.452	119.665	126.958	140.735	153.971	170.719
Gujarat	18.289	18.238	18.462	18.620	18.870	19.038	19.268	19.130	19.084	19.217	19.421	19.589	20.283	21.472	22.625	24.145	25.879	28.303	31.037	34.399
Maharashtra	19.339	19.684	20.080	20.425	20.834	20.909	21.117	21.224	21.179	21.335	21.800	22.004	22.635	23.886	25.241	27.041	28.650	31.224	33.382	36.407
SOUTHERN REGION	27.171	27.542	27.856	28.153	28.581	28.882	29.123	29.272	29.467	29.728	30.418	30.787	31.966	34.171	36.092	38.369	40.554	44.461	48.337	52.933
Andhra Pradesh	17.881	18.066	18.259	18.459	18.721	19.001	19.153	19.328	19.491	19.633	20.066	20.280	20.960	22.687	24.123	25.930	27.526	30.297	33.067	35.994
Karnataka	23.583	23.927	24.214	24.521	24.954	25.236	25.450	25.585	25.742	26.028	26.664	26.988	27.958	29.543	31.023	32.697	33.985	37.212	40.654	44.971
Kerala	80.256	81.337	82.289	83.344	84.553	85.377	86.509	87.924	89.108	90.626	92.865	94.383	98.088	103.106	107.300	112.961	120.680	128.811	139.722	150.735
Tamil Nadu	35.776	36.353	36.768	37.030	37.537	37.722	37.922	37.675	37.691	37.799	38.606	39.013	40.743	43.950	46.748	49.778	52.776	58.751	63.395	69.892
Pondicherry	154.489	158.664	160.752	160.752	169.102	179.541	179.541	175.365	177.453	175.365	187.891	192.067	208.768	233.820	267.223	302.714	331.942	356.994	390.397	427.975
ALL-INDIA	19.409	19.603	19.802	20.019	20.277	20.394	20.535	20.648	20.702	20.875	21.278	21.523	22.258	23.626	24.873	26.441	28.007	30.645	33.220	36.772

Note: Geographic Availability is the number of branches of Scheduled Commercial Banks (SCBs) per 1,000 square kilometers of area.

Source: Based on data provided in Basic Statistical Returns of Scheduled Commercial Banks (various issues); Census of India Reports (1991, 2001 and 2011).

Table 4(b): Descriptive Statistics of Geographic Availability of Bank (SCBs) Branches

Descriptive	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Mean	85.621	88.639	92.648	96.153	100.311	103.044	105.164	106.859	109.317	112.907	118.588	123.157	131.012	143.939	153.961	164.840	173.508	188.235	200.315	215.576
Min	0.824	0.824	0.824	0.824	0.824	0.824	0.824	0.824	0.824	0.800	0.812	0.824	0.860	0.880	0.919	0.955	1.027	1.146	1.266	1.528
Max	1315.789	1394.737	1500.000	1578.947	1666.667	1728.070	1763.158	1789.474	1859.649	1938.596	2043.860	2140.351	2289.474	2535.088	2692.982	2859.649	2956.140	3184.211	3359.649	3578.947
Median	18.002	18.085	18.259	18.459	18.721	19.001	19.153	19.130	19.084	19.217	19.421	19.589	20.283	21.472	22.625	24.145	25.879	28.303	31.037	34.399
Standard Deviation	256.513	268.930	286.107	300.125	316.081	326.531	334.185	340.500	351.541	366.343	386.828	404.745	432.772	478.950	511.306	545.423	568.769	615.019	649.391	692.178
Coefficient of Variation (%)	299.60	303.40	308.80	312.10	315.10	316.90	317.80	318.60	321.60	324.50	326.20	328.60	330.30	332.70	332.10	330.90	327.80	326.70	324.20	321.10
All-India geographic availability of banking services	19.409	19.603	19.802	20.019	20.277	20.394	20.535	20.648	20.702	20.875	21.278	21.523	22.258	23.626	24.873	26.441	28.007	30.645	33.220	36.772
Total Number of Observations	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Number of States/UTS/Regions with geographic availability greater than mean value	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Number of States/UTS/Regions with geographic availability less than mean value	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32
Number of States/UTS/Regions with geographic availability greater than all-India availability of banking services.	14	15	16	16	16	16	16	16	16	16	16	16	16	15	16	16	16	16	16	14
Number of States/UTS/Regions with geographic availability less than all-India availability of banking services.	21	20	19	19	19	19	19	19	19	19	19	19	19	20	19	19	19	19	19	21
Skewness	4.229	4.287	4.354	4.380	4.397	4.419	4.404	4.385	4.427	4.436	4.428	4.438	4.441	4.447	4.414	4.384	4.330	4.309	4.300	4.291
Kurtosis	17.970	18.602	19.315	19.582	19.766	20.022	19.837	19.608	20.072	20.141	20.059	20.150	20.195	20.258	19.912	19.595	19.020	18.789	18.708	18.632
Jarque Bera	481.192	511.189	546.285	559.848	569.209	582.304	572.866	561.295	585.099	588.792	584.555	589.338	591.664	594.950	576.884	560.618	531.821	520.545	516.483	512.724
Probability	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Source: Author's own calculation based on table 3(a).

Table 5: Growth Rates of Geographic Availability of Bank Branches.

REGION/STATE/UNION TERRITORY	Average Annual Growth Rate 1994-95 to 1998-99	Average Annual Growth Rate 1999-00 to 2003-04	Average Annual Growth Rate 2004-05 to 2008-09	Average Annual Growth Rate 2009-10 to 2013-14	CAGR
NORTHERN REGION	1.633	1.613	5.480	9.902	3.769*(10.385)
Haryana	2.016	2.331	7.607	12.926	5.127*(10.879)
Himachal Pradesh	0.465	0.505	4.747	8.055	2.737*(7.814)
Jammu & Kashmir	0.516	1.138	2.992	11.060	2.737*(7.103)
Punjab	2.205	1.642	5.417	11.472	3.977*(10.177)
Rajasthan	0.892	0.682	4.049	8.640	2.737*(7.967)
Chandigarh	5.610	3.424	6.967	5.782	5.232*(33.219)
Delhi	2.900	3.476	7.503	7.303	5.232*(18.604)
NORTH-EASTERN REGION	0.000	0.096	3.164	8.417	1.918*(5.743)
Arunachal Pradesh	0.000	-0.281	3.309	12.575	2.327*(5.093)
Assam	0.048	0.146	3.046	7.151	1.816*(5.979)
Manipur	0.003	-2.353	0.800	13.632	0.803(1.495)
Meghalaya	0.111	0.440	2.873	7.683	1.918*(6.617)
Mizoram	0.000	0.256	4.166	9.631	2.429*(6.348)
Nagaland	-0.559	0.849	4.303	11.941	2.840*(6.032)
Tripura	-0.216	0.327	4.277	11.564	2.737*(5.934)
EASTERN REGION	0.511	0.473	3.305	7.798	2.224*(7.266)
Bihar	0.370	0.310	3.108	8.393	2.020*(6.272)
REGION/STATE/UNION TERRITORY	Average Annual Growth Rate 1994-95 to 1998-99	Average Annual Growth Rate 1999-00 to 2003-04	Average Annual Growth Rate 2004-05 to 2008-09	Average Annual Growth Rate 2009-10 to 2013-14	CAGR
Orissa	0.618	0.513	4.542	8.594	2.737*(7.860)
Sikkim	1.905	3.726	6.273	11.191	5.232*(14.297)
West Bengal	0.603	0.596	2.871	6.602	2.020*(8.128)
Andaman & Nicobar Islands	0.667	1.270	2.371	12.394	2.840*(7.394)
CENTRAL REGION	0.510	0.540	4.329	8.692	2.634*(7.301)
Madhya Pradesh	0.315	0.267	3.939	8.174	2.327*(6.600)
Uttar Pradesh	0.610	0.676	4.520	8.938	2.840*(7.637)
WESTERN REGION	1.340	0.711	4.454	8.323	2.942*(8.627)
Goa	3.054	1.681	4.788	9.307	3.769*(13.227)
Gujarat	0.809	0.402	4.471	9.260	2.840*(7.491)
Maharashtra	1.575	0.841	4.428	7.727	2.840*(9.191)
SOUTHERN REGION	1.229	1.044	4.774	8.389	3.149*(9.311)
Andhra Pradesh	1.222	1.099	5.296	8.554	3.355*(9.272)
Karnataka	1.364	1.110	4.177	8.326	2.942*(9.678)
Kerala	1.245	1.696	4.004	7.481	3.045*(11.615)
Tamil Nadu	1.065	0.469	5.242	8.874	3.045*(7.900)
Pondicherry	3.077	0.966	10.097	9.046	5.338*(10.431)
ALL-INDIA	0.995	0.854	4.459	8.609	2.942*(8.528)

Notes: Based on data provided in Table 4(a); All figures are in percentage form; Figure in parenthesis indicate t-values; * indicates significance at 99 per cent confidence levels.

Conclusion

Through the article, it becomes clear that there is a distinct presence of inter-state variation in terms of both indicators of availability of banking services. In addition to the inter region variability there is acute intra region variability in terms of the geographic availability of bank branches amongst the states of the Northern Region. While there are evidences for high availability in the Northern (typically in Chandigarh and Delhi), Western (typically in Goa) and Southern regions of the country; poor inclusion stance was reflected by the

country's North-Eastern region. Additionally, although efforts to up-scale financial inclusion have been taking place in the country, they have not been able to adequately keep-pace with the population growth.

The need of the hour, therefore is to upscale the efforts to ensure financial access and availability, typically in the BIMARU and the North Eastern sister states of the country. For this, recognizing the need to spread greater financial literacy and awareness is pivotal to the stimulation of financial demand. . Financial inclusion is inevitably a road that needs to transversed to actualize the country's objectives of development and prosperity. The task of financial inclusion, however does not end in opening bank branches and cajoling people to open a bank account, but involves actuating them to make full use of the services. This in turn will improve national development and productivity by ensuring full utilization of the economic potential by people in their productive years and then reaping its benefits when they retire.

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INFLUENCE OF SELECTED PERSONALITY TRAITS ON CONSUMER BEHAVIOUR

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ABSTRACT

Consumer behavior has become a very complex phenomenon now-a-days, the reason being the growing diversity in needs, wants, tastes and preferences of consumers. This is why it has become inevitable for the marketers of home appliances also to understand study and analyze the buying behavior of their consumers. They are also required to study the various factors influencing consumer behavior and personality is one such factor. There are certain personality traits like consumer innovativeness, consumer susceptibility and consumer materialism. These traits are supposed to be very much important from the point of view of consumer behavior.

The present study focuses on studying and analyzing the influence of selected personality traits like consumer innovativeness, consumer susceptibility and consumer materialism on the behavior of the consumers of home appliances. To this end 200 consumers having different demographic profiles have been surveyed and the influence of the above personality traits on their buying behavior with regard to home appliances has been studied and analyzed.

The study exhibits that the majority of home appliance consumers possess the personality traits like consumer innovativeness, consumer susceptibility and consumer materialism. Moreover, the results of chi-square test imply that the presence of the said consumer personality traits in a home appliance consumer is dependent on the demographic variables like age, gender, income and education.

Finally, the present study establishes that the personality traits like consumer innovativeness, consumer susceptibility and consumer materialism influence the consumer behavior in a significant manner.

Keywords: Social Marketing, Social Networking Websites, Instant Messenger, Principal Component Analysis.

INTRODUCTION

Understanding consumer behaviour and knowing customers is never simple. Customers may state their needs and wants in one way but may act otherwise. So, marketers should study their target customers' needs, wants and the determinants of their shopping and buying behavior very carefully.

The main aim of a marketer is to understand the needs and wants of the target consumers and satisfy them effectively. For understanding the needs and wants of the consumers a marketer has to study consumer behaviour. It is only after the detailed study of consumer behaviour that a marketer is able to predict how consumers would react to the marketing strategies and promotional messages. Marketers know that it is very important to understand that what factors influence the buying behavior of consumers most.

The consumer market consists of all the households and individuals who buy goods and services for their personal use. Consumers differ tremendously in terms of various cultural, social, personal and psychological factors. So, it is necessary for the marketers to divide consumers into so many groups and to develop products or services designed to suit their needs.

Our consumer market is growing at a tremendous pace. The changing socio-cultural, political and economic orders have transformed people into sophisticated consumers. The thoughts of consumers have undergone a sea change. Many of the Indian households are buying a no. of home appliances like refrigerators, washing machines etc.

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Indian homes in urban areas have been using home appliances like refrigerators, washing machines etc. as a necessity. However in the recent years, efforts are being made by many organizations manufacturing home appliances to market their products even in small towns and also in rural areas.

Moreover, now-a-days every business is trying to make their products more popular and thereby try to be successful. But all the businesses do not attain success due to several reasons. One of the most important reasons is consumers' behaviour. Obviously, it is very difficult to predict and understand it; therefore it becomes important for every business to concentrate on consumers and their behaviour.

All human beings are consumers, from morning to evening everybody has to consume something whether it is purchased him or by others. All buyers are consumers and all consumers are not buyers. Then who are buyers and how they behave while purchasing a particular product is very important for marketers. Within the broad framework of marketing, buyer behaviour is the most interesting area and we are concerned with understanding why an individual buyer act in certain buying related ways. All buyers are having different tastes, likes and dislikes and adopt different behaviour patterns while making buying decisions. Adam Smith stated that consumption is the safe and end purpose of all production. Buying behaviour may be defined as the behaviour exhibited by people in planning, purchasing and using economic goods and services. It is an integral part of human behaviour.

Personality is one of the personal factors or psychographic variables influencing consumer behavior. Personality is a term very frequently used by everyone. Marketers have also been using personality traits and building personality brands to appeal to the consumers. Even most of the advertisements have been incorporating certain specific personality traits and characteristics while communicating advertising messages.

A personality trait can be defined as a distinguished and enduring attribute of a person which is portrayed consistently in a no. of situations, and differs from person to person. This means, trait of a person is quantitative and empirical. Here the focus is on the measurement of personality on the basis of certain specific psychological characteristics or traits. Thus a person could be read on a scale of intelligence, aggressiveness, emotional stability and so on.

Trait theorists advocated that there are certain personality traits which are very much important from the point of view of studying and understanding consumer behavior. We can also understand consumer diversity through these traits. The personality traits which are specifically used to analyse consumer behavior are—

1) **Consumer Innovativeness** (i.e. to what extent a person is receptive to a new buying experience)—

   Consumers can be innovators or non-innovators. Consumer innovativeness shows his willingness to innovate. His rigidity is shown by dogmatism. Dogmatism can be low, making a consumer open minded or high, making him closed minded.

2) **Consumer Susceptibility to Interpersonal Influence** (i.e. to understand how consumers will respond to social influences)—

   Apart from innovativeness, another trait that is important is consumer susceptibility to inter-personal influences. A scale can be constructed to measure this susceptibility. It shows how social influence stimulates or depresses the acceptance of new products.

3) **Consumer Materialism** (i.e. to ascertain the extent to which consumers are attached to worldly 'material' possessions)—

Consumer materialism indicates what value the consumers place on the products they possess. Some consider them to be essential for proving their self-worth and enrichment

of life. Some think that products are secondary. Materialistic people have a luxurious conspicuous consumption life style and are selfish. Their possessions do not make them satisfied or happy. Fixated consumers like to show off their possessions. They search for their cherished possessions. They are passionate about these possessions. Generally, hobbyists and collectors show such behaviour. They loved to hunt for their possessions. But all said and done, fixation is normal and socially acceptable behaviour. Compulsive consumption is however, abnormal. They are addicts.

Marketers are interested in understanding how the personality in general and the above personality traits in particular influence the consumer behaviour, because such knowledge enables them to better understand consumers and more appropriately to segment and target those consumers who are likely to respond positively to their product or service communications.

OBJECTIVE OF THE STUDY

The main objective of the present study is to study and analyse the impact of various personality traits like Consumer Innovativeness, Consumer Susceptibility and Consumer Materialism on consumer behavior with regard to home appliances.

RESEARCH METHODOLOGY

This research study is an analytical kind of research study. It is related to the analysis of the influence of selected personality traits on consumer behavior. In order to conduct this study we have surveyed 200 Home Appliance consumers of Agra region and the instrument used for data collection has been a questionnaire.

(i) Sources of Data :-

All the data required for this purpose have been obtained mainly from the primary sources but at the times of requirement we have also referred to the secondary sources of data.

(ii) Data Collection Methods:-

The data collection method used to obtain the desired information from primary sources has been the direct interview and questionnaire has been used as an instrument.

(iii) Sampling Plan:-

Target population or Universe: Consumers of Home Appliances
Sampling Unit: An individual Home Appliance Consumer
Sampling Method: Judgement Sampling.
Sample Size: 200
Area of Survey: Various localities of Agra region

(iv) Statistical Tools and Techniques:-

For measuring various phenomena and analyzing the collected data effectively and efficiently so that sound conclusions may be drawn, we have used a no. of statistical techniques including chi-square test for the

Table 1 : Age of Home Appliance Consumers and Personality Traits

Age	No. of Consumers		No. of Consumers		No. of Consumers		Total
	Innovativeness	No Innovativeness	Susceptibility	No Susceptibility	Materialism	No Materialism	
Below 25	10 (11.07)	8 (6.93)	11 (9.54)	7 (8.46)	8 (10.71)	10 (7.29)	18
25 – 35	42 (36.9)	18 (23.1)	38 (31.8)	22 (28.2)	42 (35.7)	18 (24.3)	60
35 -- 45	44 (40.59)	22 (25.41)	36 (34.98)	30 (31.02)	45 (39.27)	2 (26.73)	66
45 -- 55	22 (25.83)	20 (16.17)	17 (22.26)	25 (19.74)	19 (24.99)	23 (17.01)	42
Above 55	5 (8.61)	9 (5.39)	4 (7.42)	10 (6.58)	5 (8.33)	9 (5.67)	14
Total	123	77	106	94	119	81	200

Note: Figures in brackets are the expected frequencies.

testing of hypotheses.

Data Analysis and Interpretation

(a) *Age of Home Appliance Consumers and Personality Traits*

Null Hypothesis, H_{01}: Age of Home Appliance Consumers and Personality Traits (Innovativeness, Susceptibility and Materialism) are independent of each other.

(i) Out of 200 consumers surveyed 123 were found to be innovative. Out of 123 consumers who were found to be innovative 10 belonged to "below 25" age group, 42 belonged to 25-35 age group, 44 belonged to 35-45 age group, 22 belonged to 45-55 age group and rest 5 belonged to "above 55" age group.

Now, as far as the independence between consumer Age and Consumer Innovativeness is concerned, the calculated value of chi-square = $\sum$ (O-E)^2/E = 8.25

Again, at 10 % level of significance for 4 degrees of freedom the tabulated value of chi-square = 7.78

Since, the calculated value of chi-square is greater than the tabulated value of chi-square, so we reject the null hypothesis and conclude that there is a significant association between the age of consumers and consumer innovativeness.

(ii) Again, out of 200 consumers surveyed 106 were found to be susceptible to interpersonal influences, of these 11 belonged to "Below 25 age group, 38 belonged to 25-35 age group, 36 belonged to 35-45 age group, 17 belonged to 45-55 and remaining 4 belonged to "above 55"

age group.

Now, as far as the independence between consumer Age and Consumer Susceptibility is concerned, the calculated value of chi-square = $\sum$ (O-E)^2/E = 9.11

Now at 10 % level of significance for 4 degrees of freedom the tabulated value of chi-square = 7.78

Since, the calculated value of chi-square is greater than the tabulated value of chi-square, so we reject the null hypothesis and conclude that there is a significant association between the age of consumers and consumer susceptibility.

(iii) Moreover, out of 200 consumers surveyed 119 were found to be materialistic, out of these 119, 8 belonged to "below 25" age group, 42 belonged to 25–35 age group, 45 belonged to 35–45 age group, 19 belonged to 45–55 age group and rest 5 belonged to "above 55" age group.

Now, as far as the independence between consumer Age and Consumer Innovativeness is concerned, the calculated value of chi-square = $\sum$ (O-E)^2/E = 34.98 Again, at 10 % level of significance for 4 degrees of freedom, the tabulated value of chi-square = 7.78

Since, the calculated value of chi-square is greater than the tabulated value of chi-square, so we reject the null hypothesis and conclude that there is a significant association between the age of consumers and consumer materialism.

(b) *Gender of Home Appliance Consumers and Personality Traits*

Table 2 : Gender of Home Appliance Consumers and Personality Traits

Gender	No. of Consumers		No. of Consumers		No. of Consumers		Total
	Innovativeness	No Innovativeness	Susceptibility	No Susceptibility	Materialism	No Materialism	
Male	110 (102.09)	56 (63.91)	83 (87.98)	83 (78.02)	95 (98.77)	71 (67.23)	166
Female	13 (20.91)	21 (13.09)	23 (18.02)	11 (15.98)	24 (20.23)	10 (13.77)	34
Total	123	77	106	94	119	81	200

Note: Figures in brackets are the expected frequencies.

Null Hypothesis, H_{02}: Gender of Home Appliance Consumers and Personality Traits (Innovativeness, Susceptibility and Materialism) are independent of each other.

(i) Out of 123 consumers who were innovative, 110 were males and 13 were females.

Now, as far as the independence between consumer Gender and Consumer Innovativeness is concerned, the calculated value of chi-square = $\sum$ (O-E)^2/E = 9.36

Again, at 10 % level of significance for 1 degree of freedom the tabulated value of chi-square = 2.71

Since, the calculated value of chi-square is greater than the tabulated value of chi-square, so we reject the null hypothesis and conclude that there is a significant association between the gender of consumers and consumer innovativeness.

(ii) Out of 106 consumers who were more susceptible to the interpersonal influences, 83 were males and 23 were females.

Now, as far as the independence between consumer Age and Consumer Innovativeness is concerned, the calculated value of chi-square = $\sum$ (O-E)^2/E = 3.53

Now at 10 % level of significance for 1 degree of freedom the tabulated value of chi-square = 2.71

Since, the calculated value of chi-square is greater than the tabulated value of chi-square, so we reject the null hypothesis and conclude that there is a significant association between the gender of consumers and consumer susceptibility.

(iii) Again, 119 consumers were found to possess the trait of consumer materialism, of these 95 were males and 24 were females.

Now, as far as the independence between consumer Age and Consumer Innovativeness is concerned, the calculated value of chi-square = $\sum$ (O-E)^2/E = 2.09

Now at 10 % level of significance for 1 degree of freedom the tabulated value of chi-square = 2.71

Since, the calculated value of chi-square is less than the tabulated value of chi-square, so we accept the null hypothesis and conclude that the gender of consumers and consumer materialism are independent of each other.

(c) *Income of Home Appliance Consumers and Personality Traits*

Null Hypothesis, H_{03}: Income of Home Appliance Consumers and Personality Traits (Innovativeness, Susceptibility

Table 3 : Income of Home Appliance Consumers and Personality Traits							
Income Group	No. of Consumers		No. of Consumers		No. of Consumers		Total
	Innovativeness	No Innovativeness	Susceptibility	No Susceptibility	Materialism	No Materialism	
Lower	17 (21.53)	18 (13.47)	15 (18.55)	20 (16.45)	14 (20.83)	21 (14.17)	35
Lower-Middle	32 (40.59)	34 (25.41)	29 (34.98)	37 (31.02)	31 (39.27)	35 (26.73)	66
Middle-Middle	47 (34.44)	19 (21.56)	29 (29.68)	17 (26.32)	41 (33.32)	16 (22.68)	56
Upper-Middle	20 (14.76)	4 (9.24)	15 (12.72)	9 (11.28)	19 (14.28)	6 (9.72)	24
Upper	17 (11.68)	2 (7.32)	8 (10.07)	11 (8.93)	14 (11.30)	3 (7.70)	19
Total	123	77	106	94	119	81	200
Note: Figures in brackets are the expected frequencies.							

and Materialism) are independent of each other.

(i) Out of 123 consumers who were found to be innovative 17 belonged to "Lower" income group, 32 belonged to "Lower-Middle" income group, 47 belonged to "Middle-Middle" income group, 20 belonged to "Upper-Middle" income group and 17 belonged to "Upper" income group.

Now, as far as the independence between Consumer Income and Consumer Innovativeness is concerned, the calculated value of chi-square = $\sum$ (O-E)^2/E = 23.20

Now at 10 % level of significance for 4 degrees of freedom the tabulated value of chi-square = 7.78

Since, the calculated value of chi-square is greater than the tabulated value of chi-square, so we reject the null hypothesis and conclude that there is a significant association between the income of consumers and consumer innovativeness.

(ii) Out of 106 consumers, who were found to be susceptible to interpersonal influences, 15 belonged to "Lower" income group, 29 belonged to "Lower-Middle" income group, 29 belonged to "Middle-Middle" income group, 15 belonged to "Upper-Middle" income group, and 8 belonged to "Upper" income group.

Now, as far as the independence between Consumer Income and Consumer Susceptibility is concerned, the calculated value of chi-square = $\sum$ (O-E)^2/E = 8.71

Now at 10 % level of significance for 4 degrees of freedom the tabulated value of chi-square = 7.78

Since, the calculated value of chi-square is greater than the tabulated value of chi-square, so we reject the null hypothesis and conclude that there is a significant association between the income of consumers and consumer susceptibility.

(iii) In all, 119 consumers were found to possess the consumer materialism trait, of these 14 belonged to "Lower" income group, 31 belonged to "Lower-Middle" income group, 41 belonged to "Middle-Middle" income group, 19 belonged to "Upper-Middle" income group and remaining 14 belonged to "Upper" income group.

Now, as far as the independence between Consumer Income and Consumer Materialism is concerned, the calculated value of chi-square = $\sum$ (O-E)^2/E = 20.07

Now at 10 % level of significance for 4 degrees of freedom the tabulated value of chi-square = 7.78

Since, the calculated value of chi-square is greater than the tabulated value of chi-square, so we reject the null hypothesis and conclude that there is a significant association between the income of consumers and consumer materialism.

(d) Education of Home Appliance Consumers and Personality Traits

Null Hypothesis, H_{04}: Education of Home Appliance Consumers and Personality Traits (Innovativeness, Susceptibility and Materialism) are independent of each other.

(i) Out of 123 consumers who were found to be innovative, 3 belonged to "Below

Table 4 : Education of Home Appliance Consumers and Personality Traits

Age	No. of Consumers		No. of Consumers		No. of Consumers		Total
	Innovativeness	No Innovativeness	Susceptibility	No Susceptibility	Materialism	No Materialism	
Below 10th	3 (2.46)	1 (1.54)	4 (2.12)	0 (1.88)	2 (2.38)	2 (1.62)	4
10th & 12th	17 (17.22)	11 (10.78)	18 (14.84)	10 (13.16)	13 (16.66)	15 (11.34)	28
UG & PG	98 (98.4)	62 (61.6)	82 (84.8)	78 (75.2)	98 (95.2)	62 (64.8)	160
Any Other	5 (4.92)	3 (3.08)	2 (4.24)	6 (3.76)	6 (4.76)	2 (3.24)	8
Total	123	77	106	94	119	81	200

Note: Figures in brackets are the expected frequencies.

10th" education group were having less than high school educational qualification, 17 belonged to "10th & 12th" education group, 98 belonged to "UG & PG" educational group and the remaining 5 belonged to "Any Other" education group.

Now, as far as the independence between Consumer Income and Consumer Innovativeness is concerned, the calculated value of chi-square = $\sum$ (O-E)^2/E = 0.32

Now at 10 % level of significance for 3 degrees of freedom the tabulated value of chi-square = 6.25

We found that the calculated value of chi-square is less than the tabulated value of chi-square, so we will not reject the null hypothesis and conclude that the education of consumers and consumer innovativeness are independent of each other.

106 out of 200 consumers were very much susceptible to interpersonal influences of these 4 belonged to " Below 10th" education group, 18 belonged to "10th & 12th" education group, 82 belonged to "UG & PG" educational group and only 2 were having some other educational qualification.

Now, as far as the independence between Consumer Income and Consumer Innovativeness is concerned, the calculated value of chi-square = $\sum$ (O-E)^2/E = 7.69

Now at 10 % level of significance for 3 degrees of freedom the tabulated value of chi-square = 6.25

We found that the calculated value of chi-square is greater than the tabulated value of chi-square, so we will not accept the null hypothesis and conclude that there is a significant association between the education of consumers and consumer susceptibility.

As far as consumer materialism is concerned, 119 were found to have this

consumer trait. Of these 2 belonged to " Below 10th" education group, 13 belonged to "10th & 12th" education group, 98 belonged to "UG & PG" educational group and the remaining 6 were having some other educational qualification.

Now, as far as the independence between Consumer Income and Consumer Innovativeness is concerned, the calculated value of chi-square = $\sum$ (O-E)^2/E = 3.14

Now at 10 % level of significance for 3 degrees of freedom the tabulated value of chi-square = 6.25

We found that calculated value of chi-square is less than the tabulated value of chi-square, so we will not reject the null hypothesis and conclude that the education of consumers and consumer materialism are independent of each other.

CONCLUSION

The present study reveals that the majority of home appliance consumers were found to possess selected consumer traits related to personality i.e. 123 out of 200 consumers surveyed were found to possess innovativeness, 106 out of 200 were found to be very much susceptible to inter-personal influences and 119 out of 200 were found to possess the materialism trait. Therefore, we can conclude that personality has a remarkable impact on consumer behavior.

Moreover, the results of chi-square test implies that in the majority of cases the demographic variables like age, gender, income and education of home appliance consumers are significantly associated with the consumer personality traits like consumer innovativeness, consumer susceptibility and consumer materialism. In other words, we can say that the presence of the said consumer personality traits in a home appliance consumer is dependent on the demographic variables like age, gender, income and education.

Finally, this way or that way, it is quite evident from the present research that the personality traits like consumer innovativeness, consumer susceptibility and consumer materialism influence the consumer behavior in a significant manner.

Moreover, in the light of above discussion it is important to conclude that this research adds to our understanding about consumer behavior and the influence of personality on consumer behavior in general and that of selected personality traits on consumer behavior in particular.

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A STUDY ON CUSTOMER'S ATTITUDE AND PERCEPTION TOWARDS DIGITAL FOOD APP SERVICES

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ABSTRACT

Services are intangible products where in there cannot be any transfer of possession or ownership, and they cannot be sold but come into existence at the time they are consumed or bought. Services cannot be stored or transported. Eg: accounting, banking, cleaning, consultancy, education, etc.

Digital services on the other hand are services that are anything that can be delivered through an information infrastructure such as the internet, in various forms i.e. applications, web pages, social media, etc. In the paper the major focus will be on the various apps that are available either by 3rd party for delivery purpose or by restaurants themselves for various purposes like delivery, pointing system, in house app ordering, etc.

Consumer behavior is the study of how individual customers, groups or organizations select, buy, use, and dispose ideas, goods, and services to satisfy their needs and wants. It refers to the actions of the consumers in the marketplace and the underlying motives for those actions.

From this research paper we would understand the shift of consumer's behaviors with the introduction of technology and what are the different kinds of applications that consumers are satisfied with and what makes them happy and satisfied about the service.

The main objective of the paper is to understand the relation between facilities and the purchase behavior. Secondly to find the most popular app in the food delivery industry and understand as to how have technology played an important role in the restaurant industry.

Keywords: *Consumer behavior, Food delivery app, zomato, fasso, e-commerce,*

INTRODUCTION

In today's world service sector contributes 64.80% in GDP. Zomato is one of the most popular applications that provide services to the user to discover restaurants. The rise of digital technology is reshaping the industries. With the increased use of technology, the number of people engaging into the digital sector are rapidly increasing. Even Consumers are accustomed to shopping or even ordering online through apps or websites, with maximum convenience and transparency, expecting the same experience that they would get from the outlet itself. To match up with the consumer's expectations apps are providing increased facilities and services to the

customers. This scenario doesn't exist only in one country but all across the globe. Being up to date with the customers' expectations helps firm retain customer's to a greater extent. The Figure 1 below shows the average retention of customers with the help of providing various kinds of facilities to the customers.

Figure 1: Retention of Customers with the Help of Digital Technology

Source: http://www.mckinsey.com

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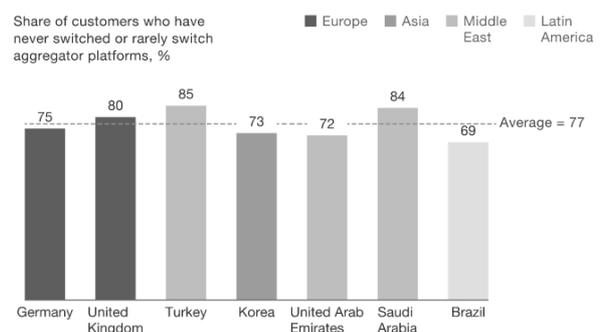
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2. **Student, IBS Business School, Pune**

Digital technology has just started growing, it will continue to grow at a rapid rate and with the effect of this so will the various other industries, including the food delivery industry. In the below figure we can see that the usage of online portals have been constantly increasing and they are expected to increase at a rapid rate even in the near future. Our research indicates that online penetration of the total food-delivery market broke 30 percent in 2016. It is also believed that the penetration rates will grow further as the market matures, eventually reaching 65 percent per year. As per another research the perceptions of the user regarding the service quality of ZOMATO is less than his expectations of what an excellent service should be. So, ZOMATO cannot be categorized an excellent service provider as per the responses we have received from the users.

Figure 2: Expected Growth of online and offline industry

Total addressable classic food-delivery market,¹ %

http://www.mckinsey.com
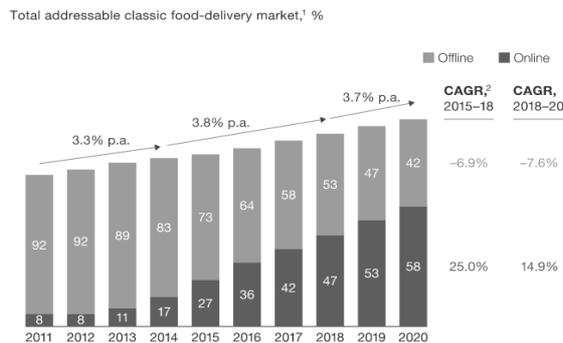
The recent innovations in the global market are:

- Mobile ordering.
- iPad order kiosks.

- Facebook ordering.
- Tabletop e-waiter & checkout.
- Digital menu boards + smartphones.
- Games while-u-wait.
- Online coupons.

Indian Food App Scenario

With all the boom in digital industry across the globe, it's had its impact on the Indian economy too. The online food ordering firms have sprouted up in bulk. The market size of food in India is expected to reach Rs. 42 lakh crore by 2020, reports BCG. Presently, the Indian food market is around $350 billion. The space is coming up with a lot of innovation catering to their customer convenience, satisfaction and retention. This has also built room for a lot of new players, who are targeting specific groups of people. Many new players joining the segment with innovative business models such as delivering food for health conscious people, home cooked meals, etc.

Food tech is the hot talk in the startup town. After technology startups have made their mark in the e-commerce, taxi & real estate sectors, now the ever-hungry Indian entrepreneurs are looking to satiate the appetite of others. Food tech is a vast market and food delivery startups are just a part of it.

Various apps in the Indian market are:
- Food Panda
- Zomato
- Swiggy
- Box8
- Fasoos
- Fast food delivery apps

Figure3: The various food apps available in India

Apps	Originated	Services Provided			
		Delivery	Online Menu	Expanded	Delivery Charges
Food Panda	Singapore	Yes	Yes	12000 Restaurants	Yes
Zomato	Portugal	Yes	Yes	10000 Restaurants	No
Beer Café	India	No	Yes	33 Restaurants	No
Box8	India	Yes	Yes	60 Stores	Yes
Fasoos	India	Yes	Yes	125 Centers	No
Dominos	India	Yes	Yes	800 outlets	No
Just Eat	Denmark	Yes	Yes	2000 Restaurants	No
Swiggy	India	Yes	Yes	5000 Restaurants	Yes
Pizza Hut Delivery	US	Yes	Yes	1300 Outlets	No
Fasoos	India	Yes	Yes	200 Stores	No

Source: Author created with the help of secondary data

LITERATURE REVIEW

A research on the changing market for food delivery (Carsten Hirschberg et al 2016) indicates that online's penetration of the total food-delivery market broke 30 percent in 2016. We believe penetration rates will grow further as the market matures, eventually reaching 65 percent per year.

According to gloria food the advantage of online ordering and the reasons for the growth of food delivery app industry are Convenience, Simpler menu to manage, significant savings, no hassles etc

FoodPanda is an introduction to the newest food sensation that's here to stay (Shiyin Chan , 2015) Foodpanda is a global online food delivery marketplace headquartered in Berlin, Germany. Fun fact - they're also known as hellofood in other places in the world.

Bhavna Singh (2015) said that Foodpanda has been present in the Indian market since May 2012. Foodpanda first major move was acquisition of TastyKhana, which was launched in the city of Pune in 2007. Together with TastyKhana and JUST EAT, it is now present in over 200 cities and partners with over 12,000 restaurants.

She also talked about JUST EAT was launched in Denmark in 2001 and was traded publicly on the London Stock Exchange. Their Indian business was launched as Hungry Bangalore in 2006. It was renamed in 2011 when JUST EAT acquired a majority share in the business. Today, the company partners with over 2,000 restaurants.

According to *Deepinder Goyal, Zomato CEO and co-founder* told TechCrunch that he expects to reach 10,000 restaurants in India in a few months. "We have a sales team of around 300 in India and 5,000-odd advertisers… these partners know the volume we bring to them so it is quite easy for us to launch this new service."

According to a recent sectoral report published by *IBEF (Indian Brand Equity Foundation)*, food has been one of the largest segments in India's retail sector, valued at $490 billion in 2013. The Indian food retail market is expected to reach Rs 61 lakh crore ($894.98 billion) by 2020. The Indian food processing industry accounts for 32 percent of the country's total food market, one of the largest industries in India and ranked fifth in terms of production, consumption, export and expected growth. The online food ordering business in India is in its nascent stage, but witnessing exponential growth. The organised food business in India is worth $ 48 billion, of which food delivery is valued at $15 billion. Investment in food startups, which mainly include food ordering apps, has increased by 93 percent to $130.3 million, comprising 17 deals till September 2015, as against only five deals in 2014.

According to a *January 28 report in The Times of India,* Rocket Internet backed Foodpanda has not found a buyer even with a rock bottom price tag of $10-15 million.The company laid off 300 people in December 2015, about 15% of its workforce. In September 2015, TinyOwl had fired 100 employees in its Mumbai and Pune offices. And in October, Zomato sacked 300 workers. UK based Just Eat entered and exited the market faster than you would order and receive pizza.

RESEARCH METHODOLOGY

Objectives

- To analyse factors affecting attitude of customers regarding food delivery apps
- To find the most popular app in the digital food delivery app
- To analyze the relationship between food delivery aap and the facilities provided by the same.

DATA COLLECTION AND ANALYSIS

The data has been collected by both ie primary and secondary sources. Primary data includes information collected through questionnaire based on attitude and perception of customers using food delivery apps in India. Secondary data included collecting information about various apps, the industry position, etc from the various

portals from the internet, journals, magzines etc

Sample size

The total sample size was 129 respondents, out of which a major portion was Gen Z i.e. people of the age group 20-25 years.

Research Tools

Following research tools were used to do analyses and to draw conclusions

- Cronbach alpha
- Chi square
- Weighted average
- Descriptive analysis

HYPOTHESIS

- Ho: There is no significant relationship between factors affecting usage and the food apps

  H1: There is a significant relationship between factors affecting usage and the food apps

- Ho: There is no association of popularity with the awareness methods used.

  H1: There is association of popularity of an app with the awareness methods used.

- Ho: There is no most popular app for food delivery among samples

  H1: There is a most popular app for food delivery among samples

ANALYSIS AND INTERPRETATION

To understand the behavior of customers regarding usage of food delivery apps, socio-economic characteristics of the customers were studied. They are the important variables as they decide the consumption pattern and customer behavior regarding these apps. Generally it is believed that, as the income, age and education of the customer varies impact the usage pattern of mobile apps. The following table 4 represents the socio-economic pattern of the selected sample.

Table 4: Demographic profile

Category		Number	Percentage
Gender			
	Male	94	27%
	Female	35	73%
	TOTAL	**129**	**100%**
Age			
	20-25yrs	115	89%
	25-30 yrs	8	6%
	30-35 yrs	4	3%
	35 and above	2	2
	TOTAL	**129**	**100%**
Profession			
	Unemployed	2	2%
	Student	116	90%
	Working	7	5%
	Self employed	4	3%
	TOTAL	**129**	**100%**
Income			
	50000-100000	61	51%
	100000-170000	25	21%
	170000-250000	14	12%
	Above 250000	19	16%
	TOTAL	**119**	**100%**
Consumption			
	Less than 1000	74	57%
	1000-1750	28	22%
	1750-2500	12	9%
	2500-4000	9	7%
	More than 4000	6	5%
	TOTAL	**129**	**100%**

Source: Author with the help of primary data

Specific Information Relating to Customer Behavior

The responses of the customer about the usage and the factors affecting usage were tabulated and analyzed to understand their behavior.

A. Frequency of usage of Food Delivery apps

The Table 5 below shows the usage of different food delivery apps among the selected samples. As per the data collected we can analyze that food panda and fast food delivery app are among the most preferred food apps by consumers followed by Swiggy and Zomato.

Table 5: Usage of apps as per the respondents

APPS	USAGE
FoodPanda	72%
Zomato	62%
Swiggy	65%
Box8	47%
Fasoos	58%
Fast food delivery apps	76%
Others	8%

Source: Author with the help of primary data

Graph 1: Factors affecting usage of the Food Delivery apps
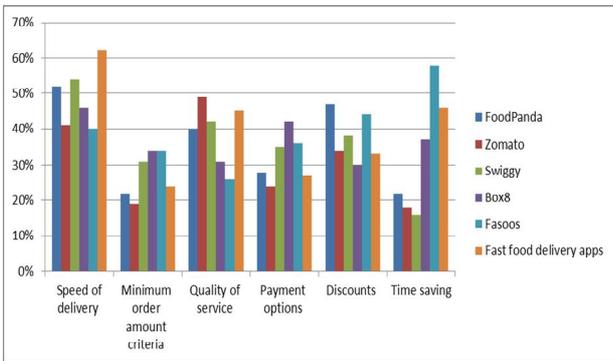
Source: Author with the help of primary data

The main objective of this research is to find out factors influencing customers regarding usage of food delivery apps. From Graph 1 we can analyze that speed of delivery is the highest attractive feature on Food Panda, swiggy, box8 and fast food delivery apps. The second highest feature preferred by the consumers is the quality of service provided by the apps and the ordering experience. Discount is considered one of the most important factor while ordering from food panda and fassos.

B. Marketing effectiveness

Chart 1: Source of information regarding mobile App
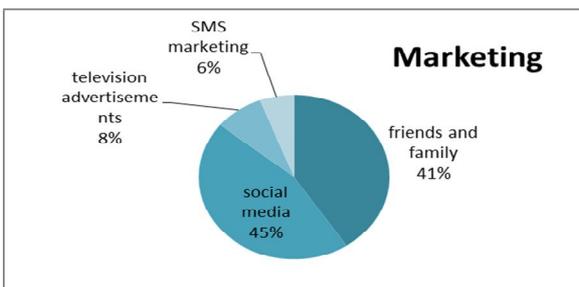
Source: Author with the help of primary data

An examination of data reveals that being majority of the responds from Gen Z, the source of information regarding mobile food apps, there is usage is basically via social media platform or friends and families.

Chart 2: the most commonly available payment options for food app customers
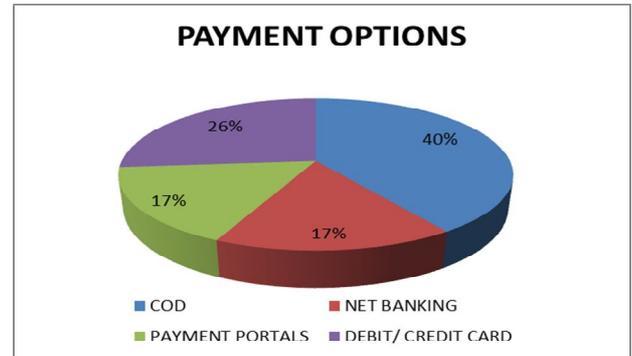
Further analysis says that majority customers prefer credit/debit card payment or cash on delivery, very few customers prefer online payment mode.

The payment options open to customers are cash on delivery, net banking, payment portals and debit or credit cards. Out of these from our research we find that cash on delivery is most preferred by the customers- 40% followed by debit/ credit card payments- 26%.

C. Special Apps

Special apps are those apps which can be used in the restaurant; they are not basically the delivery app but restaurant apps. Agent jacks bar, Beer café and 15cafe coffee day are among the most used special apps. Gen Z use beer café app because of easy access whereas agent jacks bar because comfort in using. Similarly they prefer 15cafe coffee day for loyalty points

Graph 2: Comparison of the most attractive feature between all the special apps
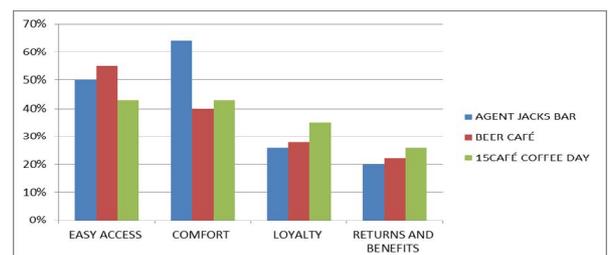
Source: Author with the help of primary data

Graph 3: Weight Average of Factors Affecting Usage of Mobile Food Apps
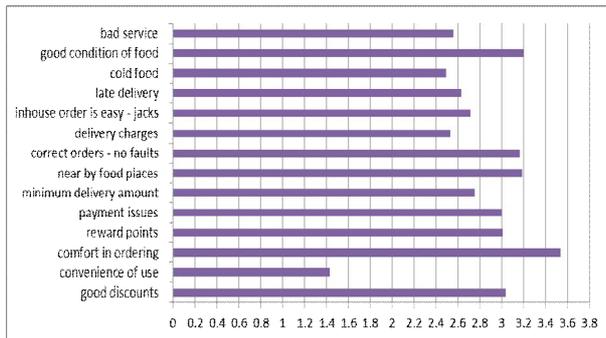
Source: Author with the help of primary data

From the data collected we can generate that according to the weighted averages of the factors the highest weight is given to comfort in ordering and good condition of food at the time of delivery. Thus restaurants must concentrate on these services more as compared to others. Other than these two factors, customers prefer to check restaurants available nearby in the app and expect correct order with no faults in totaling.

Chi Square test between Factors and Food apps

The research also tries to test the relationship between factors affecting usage of food apps with different apps available in market. Cronbach alpha is used to check reliability of the data set. The Cronbach alpha of the data came .967 which is considered to be good.

The Chi square test between factors affecting the usage and the apps comes somewhere around 73.7 with 5% level of satisfaction and 30 degree of freedom. The chi square comes more than table value therefore we reject null hypothesis and accept alternative which says that there is significant relationship between factors affecting usage and the food delivery apps.

Chi square	73.7
Df	30
Table value	29.33
P value	0.000

CONCLUSION

With continuous influx of professionals in cities and rapid urbanization of Indian landscape, the food delivery and restaurant segment is now thriving at a blistering pace. Adding to this scenario is an increasing number of smartphones and food delivery apps. Food delivery apps have now become a big hit with tech-savvy individuals across India. There are several food delivery apps in India that one can download on smart phones to order food on the go and from the comfort of homes. The present study found a significant relationship between factors considered important while selecting a food delivery app. And from the analysis it was also found that the facilities offered play a major role in making a purchase from an app. Social media should be the most desired tool for marketing by firms. Currently cash on delivery is the most preferred option of payment by the respondents but other digital techniques are also in the growth stage. Firms must also make sure that the apps are comfortable and user friendly. The special apps are a convenient way for the consumers to place orders and for the company to attract further more consumers but the comfort of usage must be given a higher preference.

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