

SINGAPORE MANAGEMENT JOURNAL

Vol. 8
No. 2





SINGAPORE MANAGEMENT JOURNAL

VOL. 8 NO. 2, 2019

The Singapore Management Journal is published bi-annually by the East Asia Institute of Management (EASB™), 9, Ah Hood Road, Singapore 329975.

The first issue of the Journal was published in January, 2012.

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ISSN 2251-239X

MICA (P) 174/01/2010

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EDITORIAL COMMENT

Language, including the scientific language of researchers, is a signifying system which gives us access to knowledge and social values. In education, it is created through the processes of socialisation and individualisation. It is subjective, producing meaning that differs from reader to reader and from time to time. It transmits the knowledge and values constituting a culture. We can have structuralist accounts or post structuralist theories of inter-human relationships and man's place in the world.

These two intellectual attitudes are typically adopted by scholarly research. One sees research as leading to knowledge discovery; the other sees it as an act of creation. The positivistic is structural, leading to finding; the other, post-positivistic and post-structural, leads to making. Each points to outcomes of possibilities – either certainty, objectivity, transcendental signified, or outcomes which are fallible and revisable. While both are empirical, one is qualitative, other is quantitative, or a mix of quantity and quality, reflected in conclusions. Another way of putting it is to say that positivistic is analytic and scientific, tending to knowledge certainty and correspondence coherence; the post-positivistic is pragmatic, judged by what works.

Consciousness is thus not the origin of the language we speak. It is the product of meanings we learn and reproduce. Communication changes all the time with or without our intervention. The world of the research topic of interest is but a sub-culture of a wider societal culture. Traditions die hard but sustainability and survival act as causal pressures to urge disruption.

Reader engagement supplements the process of making all things hang together, as per the communication rationality of Habermas. The articles in this issue centre around aspects of business operations, whether the new retailing, the role of children in family purchase decision-making, ethical business practices, or the impact of FMCG advertisements. Readers are encouraged to contact the various authors directly, via their email addresses provided at the end of this issue.

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**“The most powerful
element in advertising
is the truth.”**

- William Bernbach

Constructive Destruction or Convergence with Special Reference to The Supermarket and E-tailing Industries of China

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Abstract

Advance technology (Big data, AI (Artificial Intelligence), RFID (Radio Frequency Identification), Cloud computing, Blockchain etc.) is the essential infrastructure in the digital economy and in the dynamic evolving of the traditional brick-and-mortar supermarket into E-tailing and then into the “New Retailing”. Digitalisation of customer experience and intelligent operation and management is the future technological phenomenon of New Retail. Utilising the frameworks of the Schumpeter theory of “constructive destruction”, this paper examines the New Retail and Omni channel retailing system to address the trends of China’s retail sector and the underlining challenges in the evolving process of the brick-and-mortar supermarket, E-tailing and “New retail” entrepreneurship. Based on secondary data and a two-year fieldwork in the brick-and-mortar supermarket and E-tailing sector in China, this paper argues that digitalisation enhances the information flow, explores the fundamental management strategy related to product quality, human resource, logistics and finance and sheds some light on the implementation of the concepts of New Retail/Omni channel retailing.

Keywords: Constructive Destruction, Convergence, Supermarket, E-tailing, New Retail, Omni channel Retailing

Introduction

In recent years, the closure of brick-and-mortar supermarkets in China has been taking at the same time that E-tailing (the selling of retail goods on the Internet) appears to be the business icon in the era of internet, smartphone, Big data networks. The trend of the closing down of the brick-and-mortar supermarkets is the result of the “crowding out effects” of the rapid growth of E-tailing. At the same time, we also see the phenomena of E-tailing representatives such as Alibaba group establishing physical supermarkets (Freshippo, formerly named as Hemafresh) at neighbourhood corners. Freshippo represents the new concept of the retailing icon, i.e. “New Retail” - the seamless convergence of online and offline retailing. Using the Schumpeter theory of “constructive destruction” framework to discuss and examine the New Retail and Omni channel retailing system, we address these two trends in terms of the challenges facing the brick-and-mortar supermarket, E-tailing and “New retail” entrepreneurship process. Based on secondary data and a two-year fieldwork in the brick-and-mortar supermarket and E-tailing sector in China, our fieldwork findings suggest that advanced technology (in particular, Big data, AI, RFID, Cloud computing, Blockchain) facilitates information flow in the retailing sector, empowering the retail entities to adjust their business strategies to accommodate the preference of the customers, at the same time maximising profit. Also customers maximise their utility in the various ways of enjoying Omni channel choices, virtual shopping experience, efficient payments and deliveries. However, the bottlenecks in the fields of sales and supply chains management such as product quality, human resource, logistics and finance could hinder the dynamic evolution of the traditional brick-and-mortar supermarket into E-tailing and then into the “New Retailing”.

Section 2 reviews the theoretical and empirical framework of the study, Section 3 presents the number of the entry and exits and market shares in the retailing sector of China, Section 4 addresses the prevailing phenomenon in the sector and outlines the challenges, and Section 5 provides the conclusion.

The Theoretical and Empirical Framework of the Study

There has been recent studies on the rapid growth of China's E-tailing industry (IIMedia Research 2019; Liang et al. 2016; Ning and Zhou 2019; Tredre 2018; Yiou Intelligence 2018), mainly to explore the new concept of retailing industry - "New Retail", first coined by Jack Ma, Alibaba co-founder.

In a 2017 letter to shareholders, Ma announced it as the "starting point to our 'Five New' strategy – comprised of New Retail, New Finance, New Manufacturing, New Technology and New Energy." Ma explained it this way in the letter: "E-commerce is rapidly evolving into New Retail. The boundary between offline and online commerce disappears as we focus on fulfilling the personalised needs of each customer." Freshippo CEO Hou Yi explained that the supermarket is an "experience center plus consumption center plus logistics center" rolled into one – a seamless convergence of offline and online. (Bird 2018)

IIMEDIA Research (2019) defined "New Retail" as an evolving process of "traditional O2O plus Big data plus traditional retail", in other words, "online plus offline plus logistics". Six features characterise the New Retail: Omni channel system, digitalization of operation, customers' community, intelligent management, socialisation of supply chain, and excess online ordering (the volume of online ordering is more than that of the offline ordering).

The Omni channel system (a multi-channel approach to sales seeking to provide a seamless shopping experience to customers, whether they are shopping online from a desktop or mobile device or in a brick-and-mortar store) as a key characteristic of New Retail has been explored in the literature of retail, marketing and supply chain business (Brynjolfsson, Hu and Rahman 2013, Saghiri et al. 2017). Similarly, Jack Ma's New Retail strategy is not about new retail channels but about offering a new customer shopping experience without boundaries, combining the best of both online and offline commerce. In the phenomenon of either New Retail or Omni channel retailing, technology is essential to assure maximum information and material flow across sales and supply chain. Technology also enhances the evolution of brick-and-mortar retailing into E-tailing and the Omni channel retailing/New Retail.

Barua et al. (2000) argued that the Schumpeter theory of constructive destruction is useful in explaining the dynamic economic growth in the digital economy. Table 1 show that the five economic variables – innovation, technology, customer orientation, coordination, entrepreneurship are the key elements of the traditional and digital economy. In particular, technology is the fundamental feature in the concept of New Retail and the Omni channel retailing system. Figure 1 highlights the empowerment of technology in the respective channels of the retailing sector, with reference to the customer's value-added chain and business operation and management.

An Overview of the Retailing Sector of China

This section presents the recent trends of closure and newly established physical stores in the retailing sector of China and the market shares of the respective channels of the retailing sector. (Ning and Zhou 2019).

Table 2 shows the decrease in the total number of hypermarkets (2012-2017) and supermarkets (2016-2017). Meanwhile, the total number of the convenient stores had increased during the period of 2012-2017, indicating continuing customer preference for such shopping convenience.

Figure 2 shows the similar trend comparing the sales shares of the fourth quarter of Year 2016, Year 2017 and Year 2018. The sales shares of hypermarkets had been decreasing by 3% from 23% in 2016Q4 to 20% in 2018Q4. The sales shares of supermarkets and convenient stores remain the same over the observed period, which had a share of 26% and 3% respectively. The sales shares of E-tailing had been increasing by 5% from 9% in 2016Q4 to 14% in 2018Q4.

Figures 3 and 4 show the number of newly established and closures of physical stores of some selected Chain Supermarkets in China during the period of 2016-2018. In 2018 there were 14 more newly established physical hyper supermarkets and the boutique supermarkets than that in 2017 (307 compared to 293, of some selected Chain Supermarkets such as Yonghui, Bugao, Wumart, RT-mart, Wal-Mart, Vanguard and Carrefour). 44 physical Chain Supermarkets stores closed down in 2018; in particular, Wal-Mart closed down some 20 physical stores in 2017 and 2018 respectively.

Analytical Findings

We now turn to address the two phenomenon as mentioned above, and discuss the bottlenecks resulting from the evolution of the traditional brick-and-mortar supermarket into E-tailing and then into New Retail/Omni channel retailing

Phenomenon 1: the trend of the closure of the brick-and-mortar supermarkets reflects the crowding out effects of E-tailing in the sector.

The data indicate that the sales shares of E-tailing had been increasing in the sector, which could be explained by applying the Schumpeter theory. Advanced technology (the network of internet or smartphone apps) empowers new entrants to overcome the high fixed costs of brick-and-mortar supermarkets (especially space and equipment) to enter the sector market competitively.

The use of advanced technology also helps to restructure the traditional retailing sector. Physical supermarkets like Yonghui and Wumart which have the advantages of economies of scale could adapt to the digital economy and continue to establish physical stores. Our fieldwork revealed that Yonghui and Wumart also operate their online retailing platforms, to enhance the functions (in-store service or home-delivery point) of their physical stores, and realise O2O multichannel retailing.

Thus, technology empowers E-tailing by facilitating the restructuring (entry and exit) of the retail sector to overcome the “crowding out effects”.

Phenomenon 2: E-tailing companies, such as Alibaba group has been establishing physical supermarket Freshippo (Former name–Hemafresh, being renamed in 2018) at neighbourhood corners.

In 2016, Alibaba, entered the supermarket industry and established its physical stores-Freshippo. Freshippo appears to be distinguished from the traditional brick-and-mortar supermarket, well known for its fresh seafood, chefs in the restaurant (buying and cooking at the spot), and distribution centre (Bird 2018). Freshippo leveraged data and smart logistics technology to seamlessly integrate online-offline systems, which is a business icon of the new concept “New Retail”. The physical area of each Freshippo

physical store is about 4000 – 10000 square meters, similar in terms of space to the traditional physical supermarket.

The other example of “New Retail” is ‘Superspecies’ Supermarket, the strategy channel of the existing Chain Supermarket, Yonghui. Yonghui ‘Superspecies’ Supermarket is a combination of fresh market plus restaurant plus Yonghui app, to accommodate the preference of the middle and high income customers (in particular those born in the 1980s and 1990s). In 2017, ‘Superspecies’ Supermarket expanded into the market. See Figure 3 for the expansion figures of Yonghui.

The new establishment is different from the traditional physical stores in that it utilises technology (See Table 1 and Figure 1). In this paper, we also shed some lights on the Schumpeter Theory (Column 4th, Table 1). Innovation in digital payment, distribution, inventory and logistic empower the integration of the all channels. Advanced technology such as Big data could facilitate the CRM (customer relationship management) system, which could enhance the search and match of the channel agents in Omni channel retailing. Advanced technology such as AI Customer Experience, AI Customer Icon will maximise the utility of customers (customer orientation). Coordination of all channels is essential in the era of New Retail, to overcome the possible detached individual channel in the multichannel system. The application of Blockchain technology epitomises the entrepreneurial culture and generate trust transparently in the Omni channel system.

Review of published business reports or academic literature reveal the lack of a deep understanding or appreciation of these current business practices in the supermarket industry. Our explorations in the practical field of traditional brick-and-mortar supermarket and E-tailing, indicate there are bottlenecks in the fields of sales and supply chains management such as product quality, human resource, logistics and finance. These can hinder the dynamic evolution of the traditional brick-and-mortar supermarket into E-tailing and then into the “New Retailing”.

With respect to the quality of product, the physical supermarket has its comparative advantage. Customers are assured as industry regulation of the physical stores is severe. The entry barrier is relatively high for the physical stores compared to that for the E-tailing entities. Of course, the retailing industry can apply advanced technologies

such as RFID that allow customers to trace the product from its original manufacturing sites. Still, perishable items such as seafood are open to contamination in the physical stores or delivery channel. We argue that quality control management is essential for the long-term survival of retailing entities.

With respect to the human resource management, the professional managers of the physical stores or online stores have access to large volume of data generated by their own store as well that of the competitor around the corner. Managing the complexity and co-ordinating the collecting, organising and analysis of data and people across all channels (the delivery and other channel managers) can be quite a challenge. The Chain Supermarket, Yonghui, is well known for adopting operation partnerships to incentivise the professional management of the physical stores. Overall, it requires managers possessing considerable expertise and experience, including the necessity for the online team manager and the individual managers of the physical stores to work as a team.

With respect to logistics management, all fresh vegetables, seafood and meat products have to be packed, stored and delivered to stringent regulatory quality standards. Digitalisation facilitates the information flow in the logistics system and there is concern at the existing level of the quality of logistics management expertise in the Omni channel system. In addition, the delivery channel is capital-intensive (equipment, delivery trucks). Any entity attempting to develop its own delivery channel has to have a scale of economy to justify the large amount of the fixed investment costs (equipment and delivery trucks) needed. If it employs an external delivery service, efficient coordination becomes a challenge.

With respect to finance management, the budget of the operating delivery channel (which is capital intensive channel) is one of main concerns in the retailing sector. Furthermore, the large sum of fixed costs (such as equipment of the physical stores) needed to enter the industry remains a huge barrier. Any new physical establishment seeking to be part of this “New Retail” business sector; or attempts to upgrade existing physical supermarkets are subjected to budget outlays which may constraint entry by an individual entity. E-tailing, with its relatively low fixed costs, may help a business speedily build up its market share. This surely is a boon, considering that rising rental costs of physical stores are inevitable in the context of the rapid

development of the real estate sector and urbanisation of the economy. It is apt to mention that spiraling rents may have been one of the key reasons for the closure of some brick-and-mortar supermarkets.

Conclusion

The use of advanced technology (Big data, AI, RFID, Cloud computing, etc.) is the essential infrastructure of our modern digital economy and the distinctive feature in the dynamic evolution of the traditional brick-and-mortar supermarket into E-tailing and then into the “New Retailing”. The trend of the New Retail is the digitalisation of customer experience and the increased efficiency of business operations and management. For this to be so, there has to be a deeper understanding and more extensive and efficient implementation of a digitalisation strategy, particularly in the areas of the management of information flow, product quality, human resource, logistics and finance.

Appendices

Table 1: The Schumpeter Theory

Economic Variable	Original Schumpeter Theory (1909)	Adaptation in the era of the Digital Economy	Highlights in this study
Innovation	Introduction of new goods	Introduction of new digital products and digital services	D-Payment; D-Distribution; D-Inventory; D-logistic;
Technology	New method of production	Digitalisation of the production processes of knowledge-based goods	CRM system
Customer-orientation	Opening of new markets	Creation of electronic market and digital distribution channels	AI Customer Experience; AI Customer Icon;
Coordination	Conquest of new supply sources	Implementation of B2B-EC to manage supply network	All channels: uncertainty; standard of quality; budget constraint
Entrepreneurship	Reorganisation of the firm; Risk-taking strategies, Profit-orientation	Development of new models to manage digital business; electronic markets; Dotcom companies and internet start-ups	Entrepreneur culture; trust

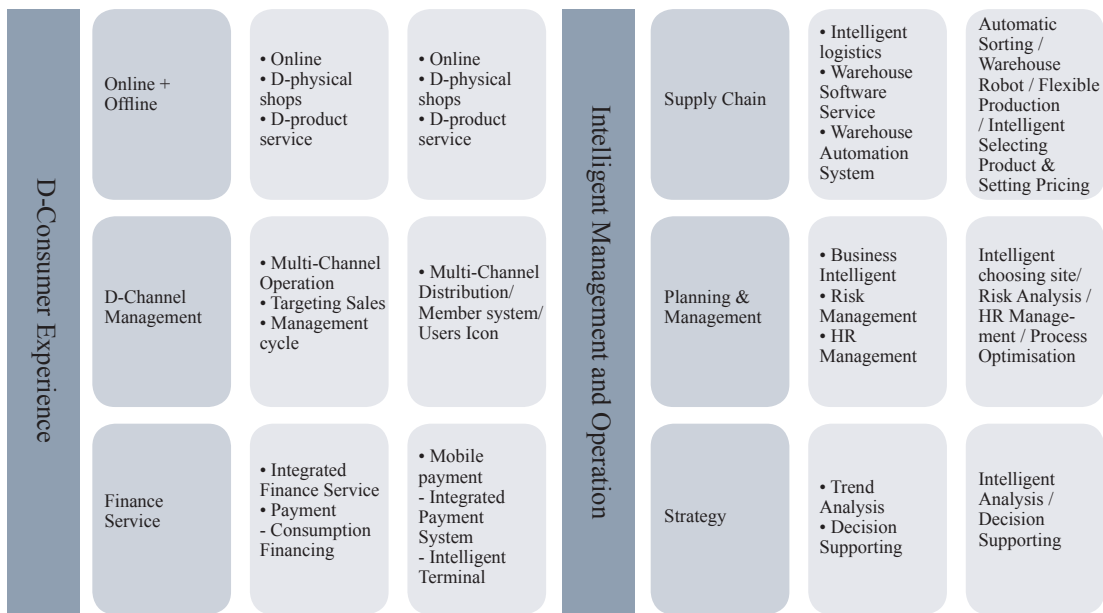
Source: Barua et al. 2000 and adapted by author.

Table 2: The Retail Sector of China 2012-2017 (Billion RMB)

Year	Total number of the convenient stores	Total number of supermarkets	Total number of hypermarkets	Sales revenue: convenient stores	Sales revenue: supermarket	Sales revenue: hypermarket
2012	13277	31016	11947	263.92	2915.89	4221.95
2013	14680	33835	9380	311.3	2889.21	4734.15
2014	16832	33202	9481	345.97	2981.75	4647.2
2015	17675	33301	8584	387.23	3118.14	4962.92
2016	18588	33372	8452	422.45	3067.15	5108.02
2017	24060	29881	6155	482.89	3520.31	4415.07

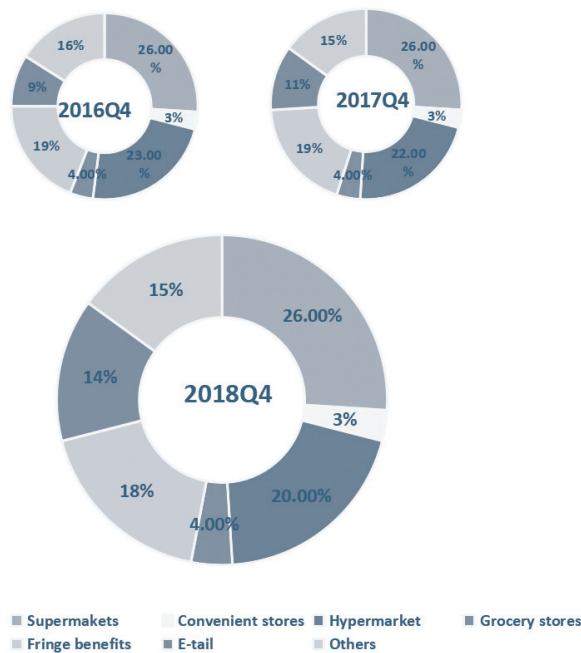
Source: Wind, China Merchants Securities (2019)

Figure 1: Future Technology of the Retail Industry



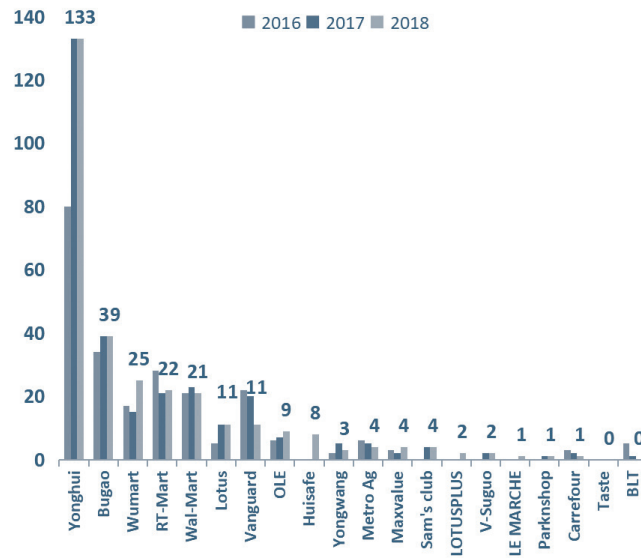
Source: China Merchants Securities (2019)

Figure 2: Sales Shares in the Retail Sector of China 2016Q4-2018Q4



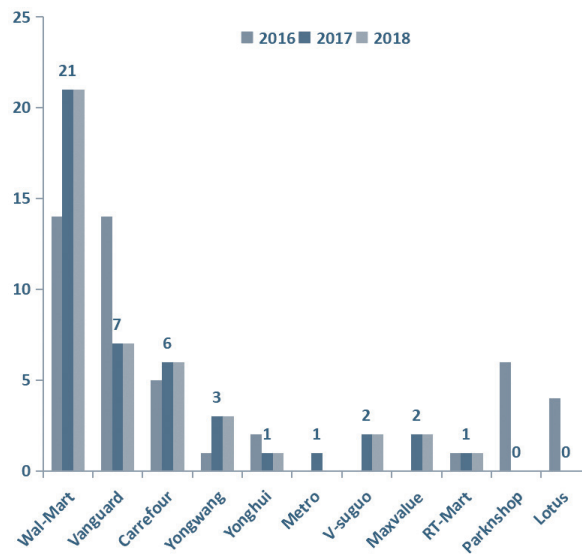
Source: Nielsen-CCData, China Merchants Securities (2019)

Figure 3: The Number of Newly Established Physical Stores of the Selected Chain Supermarkets 2016-2018



Source: Winshang, China Merchants Securities (2019)

Figure 4: The Number of Closures of Physical Stores of the Selected Chain Supermarkets 2016-2018



Source: Winshang, China Merchants Securities (2019)

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"You can't wait for customers to come to you. You have to figure out where they are, go there and drag them back to your store."

- Paul Graham

Aristotelian Rhetoric in FMCG Advertisement and Its Impact: A Study from India

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Abstract

In this paper, we investigate the relationship between the classic Aristotelian rhetoric (ethos, pathos and logos) used in televised FMCG advertisements and its impact in terms of attractiveness and persuasiveness. A total of 110 advertisements across 11 FMCG subcategories were analysed employing a two-stage ($N_1 = 55$ and $N_2 = 330$) multi-sample study in India. The results showed the emergence of different relationship patterns between the rhetoric and its impact across samples that varied in terms of demography (age, marital status, partner's working status). The theoretical and practical implications of the results are discussed at the end of the paper.

Keywords: Aristotelian rhetoric; Ethos; Pathos; Logos; Persuasiveness; Attractiveness; Referral Sampling

Introduction

Marketing communication has always been the major function and one of the fundamental factors which affect the survival and growth of business organisations (Andersen, 2001). Mass production and high quality may not create demand and will have limited impact on the survival and growth of the organisation unless properly communicated (Kotler & Keller, 2011). The major business functions such as demand assessment, production, and distribution and delivery require systematically and scientifically designed communication (Kotler & Keller, 2011). Communication gap or break in communication jeopardises the effectiveness and profitability of the business. Particularly in the era of globalisation, business communication requires much scientific and systematic approach more than ever before. Communication, in the context of business, takes two forms: internal and external. The external communication is also categorised as incoming or outgoing information. The outgoing communication intends to persuade decision making units ranging from gate keeps to ultimate users (Andersen, 2001).

Cognisant to these facts, almost all business organisations establish marketing departments as a basic functional area to determine the fate of its future. In the dynamically changing business environment, continuous in and out flow information is important. Hence, more recently, the term mere marketing has been replaced by integrated marketing communication where information flows in to and out of the business organisation. The “integrated marketing communication”, in the context of business, is divided into four interrelated components: advertisement, sales promotion, personal selling, and public relation (Andersen, 2001; Rowley, 1998).

Advertisement is a non-personal, paid and controlled marketing communication with the aim of persuading and attracting decision making units (Kotler & Keller, 2011). It assumes greater importance in the context of low-involvement products (e.g. Fill, 2005), such as Fast Moving Consumer Goods (FMCG). In this paper, we study the deployment of rhetoric in FMCG advertisement, and its outcomes, namely persuasiveness and attractiveness for the target audience. We believe this study will benefit advertisers for at least a couple of reasons. First, advertisement, specially televised one, is quite a costly affair and hence should be used effectively by paying due attention to its content. This paper dissects advertisement content into the three components and then investigates

their relative importance. Second, this is the first work of its kind, at least in the context of a rich Asian setup. Needless to say, the findings will enrich academic literature by opening up a sparsely studied avenue for research.

Literature Review

Fast Moving Consumer Goods (FMCG)

Fast Moving Consumer Goods (FMCG) are goods that move off the shelf of retail shops very quickly and replenished constantly in shorter frequency. FMCG are regularly purchased with little plan or preparation and categorised as low-involvement items (Kumar, Lee, & Kim, 2009). They are sold for low profit margins but have high sales turn-over. Further, consumers purchase these products for utility functions rather than hedonic functions, and much of these products are for immediate consumption and have short expiry date and/or depreciation time. Consumers do not engage in preplanning, but rather purchase such products when demand arises (Kitchen & Proctor, 1991). Even when the demand arises, they purchase from the nearest shop, without going shop to shop, unlike industrial goods or some consumer goods.

However, at the same time, consumers are very vigilant in the consumption of much of the fast moving consumer goods.. Much of these fast moving consumer goods are health related and consumed frequently, may be on a daily basis (Kitchen & Proctor, 1991). Thus, they are very much related with the health affairs of consumers. Hence, consumers require assurance at the time of purchase. The information that consumers rely on is advertisement where they get the information about the product. Cognisant of these facts, business organisations intensively use electronic advertisements with rhetoric.

Advertisement

Advertisement is one of the major marketing communication approaches in the contemporary business scenario. As a communication process, the advertisement has procedures that comprise inputs and outputs (Kotler & Keller, 2011; Verlegh et al., 2015). Source, message, reception and strategy are classified as inputs while attitudes, emotions, behaviors, cognitions, credibility, processes and memory are identified as outcomes. In the input category, it is possible to change the message, source and strategy to influence the receivers' characteristics (output). The paths of

communication and their influence are direct or indirect. For example credibility directly affects attitude, and indirectly cognitions (believability) and quality of the message (Eisend & Tarrahi, 2016). Advertising is able to win the hearts and minds of buyers and consumers, influence decisions and preferences and finally determines purchases and consumptions (Verlegh et al., 2015). To put it in a nut shell, advertising is intended to win the hearts and minds of buyers and consumers, influence decisions and preferences and finally determines purchases and consumptions.

All advertisement messages do not get equal acceptance as its effectiveness depends on the level of persuasion and attractiveness of the discourses or the communication. If it is not persuasive and attractive, audiences will be irritated and respond negatively with distrust and avoidance (Verlegh et al., 2015). Thus, advertisers use rhetoric to increase the persuasiveness and attractiveness of advertisements. Here, it is possible to sub-classify advertisement as rhetoric and non-rhetoric advertisement. Rhetoric advertisement, compared to its counterpart, is argumentative, celebrity and expert based. It is characterised by schemes and tropes, figurative and artful explanation of messages (Huhmann & Albinsson, 2012).

In one classic scheme, Aristotelian rhetoric, communication strategies are classified as Ethos, Logos and Pathos (EPL, henceforth). Rhetoric has been used intensively in various contexts to persuade and attract audiences. While the persuasiveness and attractiveness of rhetoric discourses has been studied in various industrial and consumer advertising, it has not been thoroughly examined for fast moving consumer goods (FMCG) advertisement via electronic advertisement. In this research we examine the impact of EPL on the persuasiveness and attractiveness of televised FMCG advertisements. To best of our knowledge, such work has not been carried out earlier and the findings will benefit makers of advertisements by designing content that suits their target consumers.

Rhetoric

Rhetoric is a deliberate and intentional persuasion or mode in everyday formal and informal communications. Sometimes, it is taken as an ideology and defined as a spoken and written form of discourse. “Rhetoric is the means by which people convince others about a point of view, narrow the choice amongst alternatives, to

reach agreement about social order and develop the systems and institutions of private and public life” (Higgins & Walker, 2012, p.197). In addition, it is also seen as the capability to find a prevailing means of persuasion at any occurrence. Rhetoric is the figurative management of limited cognitive resource to influence or create meaning to oneself and to others to persuade decision making (Hoefer & Green, 2016).

Rhetorical works violate the conventional writings, paintings, and music with creative and artful deviance and incongruent configuration of verbal and visual narrations. Rhetorical works contain rhetorical figures such as: figurative language (alliteration, rhyme, hyperbole, puns, and metaphors) and visual rhetoric (hyperbolic and metaphorical images), and use attention triggering and directing words and/or images that directly or indirectly communicate meanings that audiences deduce (Michalik, 2016)

Rhetoric has been used in various business and none-business scenarios. For example, rhetoric was intensively used in media in many countries for election and other policy issues (English et al., 2011; Samuel-Azran et al., 2015). Similarly, many advertisement organisations use rhetoric instead of mere concrete, nonfigurative and straightforward communications (Huhmann & Albinsson, 2012; Michalik, 2016). Rhetoric based communications and advertisements have been assumed to enhance advertisement attractiveness. Nowadays, about seventy-five percent (75%) of some advertisements use rhetoric advertisement because rhetoric increases the possibility of attractiveness and persuasiveness of the advertisement (Huhmann & Albinsson, 2012).

There are two approaches to the use of Rhetoric: classical and new (Hoefer & Green, 2016). The classical approach emphasises the source’s use of rhetorical strategies in the construction and deployment of rationality based on Aristotle’s conceptualisation. The classical approach adopts three strategies of persuasion: appeals of pathos (e.g., emotions), logos (e.g., logic), and ethos (e.g., values). Classical rhetoric begins with the assumption that actors’ perceptive limits are critical to behaviour, and stresses a direct relationship among rhetoric, perception, and behavior in an ambiguous and dynamic world. Classical rhetoric focuses on persuasion and the view of the speaker as taking the audience as a target and a source of expectations. Finally, it assumes rhetoric as a public discourse between or among participants as source and receiver with the aim of persuasion (Hoefer & Green, 2016).

The new rhetoric approach focuses on the receiver for identification and drawing meaning. It puts the audience at the center of the discourse and the receiver as an active agent in the discourse process. It focusses on the role of rhetoric in self persuasion, interpretive processes and personal judgments. It usually emphasises rhetoric as a private discourse that happens inside the individual's intrapersonal domain to form individual interpretations and make personal decisions. Both classical and new rhetoric approaches indicate that speakers and listeners have cognitive limits and hence co-produce meaning while persuading and interpreting the world to themselves and others (Hoefer & Green, 2016).

As mentioned earlier, in this paper we focus on classic Aristotelian rhetoric comprising three components: Ethos, Pathos and Logos (Hoefer & Green, 2016; Robel, 2015). These components are inseparable and are almost available in all types of communications..

Ethos reflects ethical and moral concerns about accepted norms needed to maintain social and collective interests in a community. It appeals to the expertise, personality, and credibility of the sender of the information. Ethos shows the persuading ability of a communicator's authority, charisma and appeal, and the ability of these appeals in connecting the message to the audiences through the presenter (Gauthier & Kappen, 2017). It is about the speaker's trustworthiness and credibility and the persuasion is almost solely dependent on the presenter's personal characteristics. It focuses on the persuasiveness of the speaker's persona to make listeners accept the authority of the speaker. In ethos, successful persuasiveness relies on the use of expertise, similitude, deference, self-expression, and appeal. (Higgins & Walker, 2012).

Logos are appeals based on reasoned and logical arguments, directed at the human intellect. Its arguments may involve methodical calculations, backed up by relevant data, facts and figures, aligned to the receivers' self-interest. It is basically an appeal to the senses of the audience (Andersen, 2001; Gauthier & Kappen, 2017).

Pathos use appeals that connect to and impact the emotions of the receiver and triggers the feelings that exists within him as the listener. It is about eliciting emotions in the receiver to motivate him to make the desired decision. It is very important in advertisement because it triggers emotions which affect information processing and decision making. The speaker has to understand what will trigger appropriate emotions

in the audience (Gauthier & Kappen, 2017; Higgins & Walker, 2012).

Impact of Advertisement: Persuasiveness and Attractiveness

Rhetoric components determine the level of persuasiveness and attractiveness of electronic advertisements of consumer goods, particularly of fast moving consumer goods (FMCG). They represent both the functional and aesthetic aspects of an advertisement. Persuasion can be achieved if the speaker's personal character resonates with the way he speaks in such a mutually reinforcing manner that it adds to his credibility. Persuasion helps to influence an audience's belief, attitude, behaviour and motives. It is mainly used to change a person's attitude towards some object, concept or idea, through the use of written or spoken or visual modes of communication. Persuasions can be used through appeal to logic, emotion or habit of the receiver. The persuasiveness of an advertisement is enhanced if the source of the message is an expert or celebrity. For example, Cialdini (2001) showed that a single expert opinion can create a four (4) percent shift in public or consumer opinion.

Attractiveness refers to the quality that causes a feeling towards, or an interest and desire in something. It is the quality of being pleasant or appealing to the senses (Prasetyo & Setyowati, 2015). Attractiveness can arise through pleasurable language sounds/patterns as with music or successfully decipher non-literal meanings. The attractiveness of an advertisement is related to the ease of understanding its material content, the use of artistic devices, including commercial interests, easy-to-remember jargons, and an attractive advertising style (Prasetyo & Setyowati, 2015).

The interaction between persuasiveness and attractiveness has been examined in various situations. Kaplan & Baron (1974) examined persuasiveness-attractiveness as positive and negative in dyad form using Heider's (1958) balance theory, which is adapted from social psychology theories. The aim of the persuasiveness-attractiveness relations was to see the interactions between or among individuals and groups with the aim of determining attitude change. Kaplan and Baron (1974) indicate that a source's persuasiveness directly increases with its attractiveness. In more recent times, the attractiveness and persuasiveness of a source are treated independently as an important concept in attitude change.

Studies in the persuasiveness and attractiveness of rhetoric components have produced inconclusive results. Huhmann and Albinsson (2012) in their literature

review, indicated that elaboration and persuasion are greater with rhetorical discourses than non-rhetorical approaches. English et al. (2011) conducted a research to evaluate the persuasive power of Aristotelian rhetoric using a video featuring a former surgeon general (Ethos), humorous songs (Pathos) and statistics (Logos) on YouTube (social media). The study revealed that Ethos is the most persuasive. Thus, source credibility has higher power in persuading respondents than humorous songs. In contrast, Bronstein (2013) found that the majority of campaigns were pathos-based while logos-based discourses garnered more comment than pathos or ethos-based on social media. Differently, Samuel-Azran and colleagues (2015) found that ethos are the most prevalent component while pathos got the most likes and responses. Hoefer and Green (2016) indicate that the flow and diffusion of information and knowledge varies according to whether they are supported by pathos, logos, or ethos appeals.

In purchase decision making, FMCG, being low involvement products and of common utility across gender, a couple usually opts for joint decision making (Belch et al., 1980; Commuri & Gentry, 2000).

Research Framework

Drawing on the cognitive balance theory (Heider, 1958) and the Elaboration Likelihood Model or ELM (Cacioppo & Petty, 2001) this research argues that rhetoric based advertisement of FMCG products will have both persuasiveness and attractiveness outcomes. People want to maintain psychological balance in their interaction with their environment (Woodside & Chebat, 2001) attitudinal, and behavior automaticity and controlled thinking (see Bargh, 1994; Bargh, Chen, & Burrows, 1996). ELM suggests that audiences (the other person or “O”) associate sources of messages (Person or “P”) with the object (product or “X”). If the other person “O” likes the source of the message (Person “P”), he most probably likes the product (X) liked by the source (P). The credibility of the source increases the attention and hence the likelihood of the audience to watch the advertisement. Ultimately, it leads to the purchase of the product promoted by this source of the message who is liked by the audiences.

According to the ELM, consumers want short cuts in the evaluation of products based on their level of involvement. FMCG products are typically low-involvement

products, with minor quality and price difference, and stiff competition, promoted through repeated electronic advertisement modes. Consumers tend to pay less attention to such congested advertisement traffic, resulting in their lower level of persuasion and attraction. Rhetoric based advertisements can win audiences' attention and increase selective perception if they convey the information in more precise and succinct form, with entertaining themes.

Similarly, when consumers lack sufficient information about the product, they rely on what the company says through advertisements using celebrities or experts. People depend on the peripheral information when they are not motivated or unable to process the message centrally. Messages are processed through peripheral or heuristics route when there is low personal involvement required, as in purchasing FMCG.

When a persuasion situation is engaging, audiences tend to be more systematic in their processing because of an increased need to know and understand the message content; they give more attention to the arguments presented than on who said them. In Aristotelian rhetoric or EPL, logos arguments require more critical thinking responses, leading to central route thinking. Pathos and ethos appeals are more indirect and trigger consumers' attention through source credibility. Thus, they involve more of peripheral route thinking than logos based advertisements.

If persuasiveness is all about one's inclination toward the functional benefits of a product, attractiveness pertains to its aesthetics. In the present context of product is advertisements, we are concerned about its core benefit (persuasion) and aesthetic benefit (appeal to senses). Here, as we study attractiveness germinating out of EPL only, we restrict ourselves to advertisement content (script, screenplay, dialogue and punch line) and do not consider other softer aspects, such as jingles and locales. The research framework to be investigated is depicted in Figure 1 below.

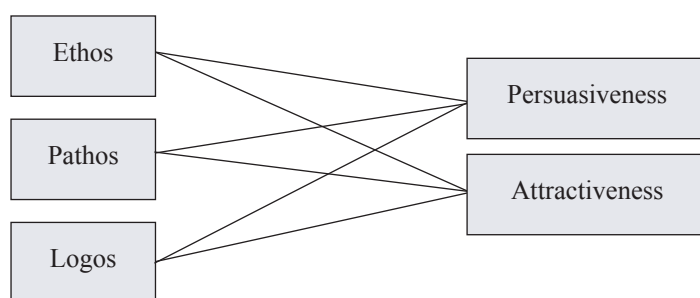


Figure 1: Research Framework

Research Question

We seek to study the impact of EPL on advertisement effectiveness. We also seek to capture the variation of this relationship with changing demography.:

RQ1: What is the nature of correlation of EPL with persuasiveness and attractiveness of the advertisement?

RQ2: How does this correlation change with the demographics?

We now describe the methodology, followed by the analyses and results obtained from this exercise.

Research Methodology

The entire study was designed as a first year MBA students project in a marketing management course at a reputable management institute in India. The project was titled “Assessment of impact of Rhetoric on FMCG advertisements across demography” and was completed during a semester of 4-month period. Students were required to complete this assessment for three distinct audience categories (namely Profile X, Y and Z as discussed below) as the same advertisement may have different impact on people from different demographic categories. For practical reasons, the target population for this project was limited to urban, middle class Indians, who mainly come from nuclear families (over 70 percent as compared to joint families) in India (latest Census data, 2011; available at <http://www.censusindia.net>). The proportion is even higher among urban population particularly after the globalisation of the Indian economy in 1991 (Niranjan et al., 2005). We decided to focus on the following three profiles on the basis of (i) age (ii) marital status (iii) employment status (whether both partners are working).

Profile X: Young (25-30; Almost corresponding to Gen Y or Millennials) + Professional + Unmarried

Profile Y: Mid age (40-50 years; Almost corresponding to Gen X) + Dual Career Couple + With or without children

Profile Z: Senior (55+ years; Almost corresponding to Baby Boomers) + Single Career Couple + Living with or without children

As per the census data (Census, 2011), these three profiles represent over 50 percent of the urban middle class population in India.

Sample and Method

The study was conducted over two stages by employing four samples as described below. The first stage was devoted to the rating of advertisements on EPL content while the second stage was focused on the impact ratings (persuasiveness and attractiveness).

First Stage

In the first stage, a list of FMCG advertisements across certain subcategories were rated for their ethos, pathos and logos contents by fifty-five (55) MBA first year students, comprising thirty-two (32) males and twenty-three (23) females belonging to 22-26 years age group.

Then a total of one hundred and ten (110) televised advertisements across eleven (11) FMCG subcategories (Personal Care, Snacks and Confectionary, Beverages, Household Edibles, Nutraceuticals and VMS, Cleaning Agents, Stationery and Supplies, Medicinal, Purifiers and Sanitisers, Cosmetics, Contraceptives) were selected by the course instructor with ten (10) advertisements in each. All the advertisements were either in Hindi or English language. The decision on the number of subcategories was made on the basis of frequency of their appearance on television during prime time slot (usually considered from 08:00 PM till 10:30 PM in India) over a few select news and entertainment channels. The decision on the number per category was made based on the ease of distribution across fifty-five (55) students. The duration (in seconds) and status of celebrity endorsement (0=No/1=Yes) was also recorded for all the advertisements.

Next, all the fifty-five (55) students were randomly distributed into eleven (11) groups of five (5) students each, and each group was subsequently assigned one FMCG subcategory for rating. The students were briefed on the concepts of advertising, intended change of consumer attitude and EPL rhetoric. Their understanding of EPL was bolstered with the use of reading material, videos and a series of exercises (for illustration, see Appendix A).

In one of the group exercises, they were shown video clips on speeches from politicians and other famous personalities, and were asked to identify instances of EPL therein. The same exercise was repeated for five (5) randomly chosen FMCG advertisements and the resulting rating consistency and consensus were found to be encouraging (over 90 percent inter-rater agreement with their course instructor). These trained student raters then rated the originally shortlisted FMCG advertisements for their EPL contents within their groups. All in all, eleven (11) subcategories, comprising one hundred and ten (110) advertisements were rated by fifty-five (55) MBA students on ethos, pathos and logos (EPL) over a 5-point Likert type scale (from “very low” to “very high”). Students responded to simple questions like “Rate the ethos (or pathos/ logos) content of this advertisement on a scale of 1 to 5, 5 being the highest”. So all the five group members rated each of the ten (10) advertisements independently, and their ratings were averaged for a given advertisement to minimise rating bias.

Symbolically, suppose students are labeled as $S_1, S_2, S_3, \dots, S_{55}$ and advertisements are denoted as $A_1, A_2, A_3, \dots, A_{110}$. Then groupwise allocation of advertisements will look as follows:

Group	Student	Advertisement
G_1	S_1 through S_5	A_1 through A_{10}
G_2	S_6 through S_{10}	A_{11} through A_{20}
G_3	S_{11} through S_{15}	A_{21} through A_{30}
...
G_{11}	S_{50} through S_{55}	A_{100} through A_{110}

Next, EPL rating for a given advertisement was the average of ratings assigned by the group members. For example, ethos rating for A_1 (denoted as ER_1) was mean of ethos ratings assigned by S_1, S_2, \dots, S_5 . Likewise pathos and logos ratings were denoted as PR_1 and LR_1 respectively for the first advertisement (A_1). Thus,

$$ER_1 = \text{Mean} [ER_{S1}, ER_{S2}, ER_{S3}, ER_{S4}, ER_{S5}]$$

$$PR_1 = \text{Mean} [PR_{S1}, PR_{S2}, PR_{S3}, PR_{S4}, PR_{S5}]$$

$$LR_1 = \text{Mean} [LR_{S1}, LR_{S2}, LR_{S3}, LR_{S4}, LR_{S5}]$$

As per the allocation shown above, all the students in G_1 (S_1, S_2, \dots, S_5) assigned EPL ratings for A_1 through A_{10} . Similarly, G_2 (S_6, S_7, \dots, S_{10}) did the same for A_{11} through A_{20} and so on. At the end, we obtained the final ratings for ethos, pathos and logos for all the one hundred and ten (110) advertisements ($ER_1, PR_1, LR_1; ER_2, PR_2, LR_2; ER_3, PR_3, LR_3; \dots ER_{110}, PR_{110}, LR_{110}$). This concluded the first stage of study.

Second stage of study

In this stage, we measured the impact (persuasiveness and attractiveness) ratings of the same set of one hundred and ten (110) advertisements in demographically diverse samples.

Since it was required that the participants belong to a particular predetermined profile (Profile X, Y and Z), we resorted to referral sampling (also, snowball sampling) with referents being the participants from our first sample. Thus, the same fifty-five (55) students assumed the role of surveyor in this stage after receiving two rounds of training. The exercise was carried out during their term break. These students were thoroughly familiarised with the targeted profiles (Profile X/Y/Z) by giving them a brief write-up about them and by showing visuals to elaborate the demographic characteristics of respective profiles. Then each student was asked to think of three couples (unmarried for Profile X and married for others) from their extended family or friends, who they believe were demographically similar to Profile X, Y and Z. The wide prevalence of the profiles was vindicated by the fact that students took very little time in mentally identifying them. At the end, a total of one hundred and sixty five (165), ie. 55 X 3 dyads or three hundred and thirty (330) people were identified for the survey.

Next, all the students were trained by their course instructor in survey essentials (possible biases, framing techniques, social desirability etc.) through lecture, exercise, and visual demonstration. Students were told about propriety of holding the pre-survey brief for the survey participants. In addition to persuasiveness and attractiveness ratings, students also collected information on participants' age, marital status and working status to ensure match between the intended and the

actual demographic characteristics.

In this stage, students continued working within their originally assigned groups. They approached the self-identified dyads one by one and showed them ten (10) advertisements (over a week) as were assigned to their groups. Then participants were asked to provide their ratings on persuasiveness and attractiveness by rating statements as “I am inclined to buy the product shown after watching this advertisement, “ and “I find the content of this advertisement attractive”. Then they rated their response on a 5-point Likert type scale with anchors as “1=Strongly Disagree” to “5=Strongly Agree”. It is important to note that for Profile X, ratings by male and female participants were averaged since these were assigned independently, whereas for the other two profiles, consensus based rating were recorded so as to reflect the real decision making in a family as FMCG purchase decisions are usually made jointly by couples (Commuri & Gentri, 2000). Putting it symbolically, persuasiveness rating for A_1 and for Profile X, denoted as $PRR_{X,1}$, was computed as the mean of such ratings obtained by the five students (S_1, S_2, \dots, S_5) belonging to G_1 . To denote it:

$$PRR_{X,1} = \text{Mean} [PRR_{X,1,S1}, PRR_{X,1,S2}, PRR_{X,1,S3}, PRR_{X,1,S4}, PRR_{X,1,S5}]$$

$$PRR_{X,2} = \text{Mean} [PRR_{X,2,S1}, PRR_{X,2,S2}, PRR_{X,2,S3}, PRR_{X,2,S4}, PRR_{X,2,S5}]$$

$$PRR_{X,10} = \text{Mean} [PRR_{X,10,S1}, PRR_{X,10,S2}, PRR_{X,10,S3}, PRR_{X,10,S4}, PRR_{X,10,S5}]$$

$$PRR_{X,11} = \text{Mean} [PRR_{X,11,S6}, PRR_{X,11,S7}, PRR_{X,11,S8}, PRR_{X,11,S9}, PRR_{X,11,S10}]$$

$$PRR_{X,12} = \text{Mean} [PRR_{X,12,S6}, PRR_{X,12,S7}, PRR_{X,12,S8}, PRR_{X,12,S9}, PRR_{X,12,S10}]$$

$$PRR_{X,110} = \text{Mean} [PRR_{X,110,S51}, PRR_{X,110,S52}, PRR_{X,110,S53}, PRR_{X,110,S54}, PRR_{X,110,S55}]$$

Likewise ratings was obtained for other profiles ($PRR_{Y,ni, Sj}$) and for attractiveness ($ATR_{Z,ni, Sj}$). Finally students submitted PRRs and ATRs for all the one hundred and ten (110) advertisements for all the three profiles on their return to campus. Demographic profiles of participants were checked and found conforming to the respective profile characteristics. Thus, at the end of second stage we obtained persuasiveness and attractiveness ratings for all the one hundred and ten (110) advertisements for all the three profiles.

Result and Analysis

First, we computed bivariate correlation among EPL ratings, impact ratings, duration and celebrity endorsement status and the result is presented below in Table 1.

Table 1 About Here

The average duration of advertisements included in this study was found to be 23.25 seconds, ranging from 7.5 seconds to 75 seconds. And thirty-one (31) of the one hundred and ten (110) advertisements featured celebrities.

It is obvious that many correlations depicted in this table are meaningless (such as the one between PR_x and AT_y) and hence reader's discretion is warranted here.

We next conducted regression analysis to assess impact of EPL. This addressed our research questions (RQ1 and RQ2). We regressed EPL ratings on persuasiveness and attractiveness ratings for each profile and results are produced below.

For Profile X

Persuasiveness (PR_x) = [.164 (1.91) x Ethos] + [.273 (3.16) x Pathos] + [.434 (5.00) x Logos];

Adjusted R^2 = .233

(Boldfaced values are beta coefficients and the next ones inside parentheses are its t-values)

Attractiveness (AT_x) = [.191 (2.11) x Ethos] + [.407 (4.50) x Pathos] + [.003 (.03) x Logos];

Adjusted R^2 = .156

For Profile Y

Persuasiveness (PR_y) = [.344 (4.23) x Ethos] + [.389 (4.77) x Pathos] + [.340 (4.17) x Logos];

Adjusted R^2 = .315

Attractiveness (AT_y) = [.274 (3.44) x Ethos] + [.575 (7.18) x Pathos] + [.104 (1.29) x Logos];

Adjusted R^2 = .338

For Profile Z

Persuasiveness (PR_Z) = [.152 (1.64) x Ethos] + [.297 (3.18) x Pathos] + [.207 (2.21) x Logos];

Adjusted R^2 = .102

Attractiveness (AT_Z) = [.151 (1.69) x Ethos] + [.441 (4.92) x Pathos] + [.038 (.41) x Logos];

Adjusted R^2 = .172

This analysis showed the relative importance of EPL components on the persuasiveness and attractiveness of FMCG advertisements.

It was evident that logos ($\beta = .434$; $p < .01$) followed by pathos ($\beta = .273$; $p < .01$) were strongest predictors of persuasiveness for Profile X. Likewise, pathos ($\beta = .407$; $p < .01$) and ethos ($\beta = .191$; $p < .05$) were key predictors for attractiveness.

For Profile Y, all three, pathos ($\beta = .389$; $p < .01$), ethos ($\beta = .344$; $p < .01$) and logos ($\beta = .340$; $p < .01$) were significant predictor of persuasiveness, whereas pathos ($\beta = .575$; $p < .01$) and ethos ($\beta = .274$; $p < .01$) were significant predictor of attractiveness.

A variation was observed for Profile Z where pathos ($\beta = .297$; $p < .01$) and logos ($\beta = .207$; $p < .05$) were significant predictors of persuasiveness, and pathos ($\beta = .441$; $p < .01$) alone was a significant predictor of attractiveness. The corresponding t-values are presented in equations.

Discussion

The analyses yielded some interesting insights on the relative importance of ethos, pathos and logos in a FMGC advertisement in creating persuasion and attraction in three different groups of people.

Our first profile (Profile X) includes young (Gen Y), urban, middle class, and unmarried people who joined the professional workforce only recently and were in the process of settling down in their life. They were characterised by an independent thought process and a relatively greater exposure to modernity. As per the results, these sets of people were most strongly persuaded by logos (logic), followed by pathos (emotion).

They were least persuaded by ethos (authority or credibility). Consistently they were not quite influenced by celebrity endorsements (or a depiction of a protagonist as an expert) but rather relied on hard facts and underlying emotional appeals to make up their minds on FMCG purchases. Insofar as attraction was concerned, pathos, and to some extent, ethos played important roles therein, indicating they admired advertisements with emotional appeal and presence of celebrity (or similar authority). However, logos had a non-significant effect on the attractiveness of an advertisement.

Next, Profile Y included mid-age (Gen X), urban, middle class and dual career couples. These people typically lacked good family time and collective decision making, particularly on routine purchases. As per the study results, their persuasion stemmed from all the three components of EPL. Just like people in Profile X, they too got attracted mostly by the pathos and lesser by ethos. And again, logos had a weak effect on the attractiveness of an advertisement for them. Finally, Profile Z included senior (Baby Boomers), urban, middle class and single career (with only the husband working in most cases) couples. They exhibit a somewhat laidback attitude. They had a high regard for traditions, were financially independent and adopted a more consultative decision making process in their day-to-day purchases. The study results suggested that their persuasion was largely affected by pathos alone and lesser by logos, which was in direct contrast with the results for Profile X. That meant that people in this profile relied on emotional appeal more strongly than on pure logic. However, attractiveness continued to be strongly correlated with pathos followed by ethos.

Overall, it was found that the attractiveness or likeability of an advertisement stemmed from its emotional appeal (pathos) followed by the authority/credibility of the protagonist (ethos), and this result remained the same for all the three profiles studied here. Likewise, the use of logic (hard facts, data) had the least impact on attractiveness. The relative importance of EPL on persuasiveness, however, varied somewhat for the three profiles with pathos and logos being the top two drivers, ahead of ethos.

Other variables, like advertisement duration and celebrity endorsement status, offered useful revelations. It was observed that duration was positively related with pathos only, among EPL. As pathos turned out to be an important component for both the outcomes, as evident by our results, it may be deduced that very short duration advertisements may not be able to evoke the 'intended' emotions. Duration

was also found to be positively related with attractiveness but had neutral impact on persuasiveness uniformly across all the profiles.

Conventional wisdom apart, it had been established that celebrity endorsement enhanced the persuasiveness of high involvement products (e.g. Cho, 2010). However, in the case of FMCG products, as our results suggested, celebrity endorsement had non-uniform effect on persuasion across different samples. It was found that the presence of a celebrity was positively related with persuasiveness for senior couples (Profile Z), weakly related for mid-age couples (Profile Y), and non-significantly related for young couples (Profile X). It suggested that people in Profile X (largely Millennials) got least affected by celebrity presence and, instead, were mostly influenced by the logic in the advertisement.

Managerial Implication

As FMCG companies spend huge sums of money on advertisements, this research offers some useful insights. First and foremost, as advertisements are key marketing communication tools today, the importance of EPL rhetoric must be recognised in this context. In this work, pathos emerged as the most important determinant of effectiveness of an advertisement, in terms of persuasiveness and attractiveness.. Hence, to be effective, an advertisement must succeed in forging deep association with viewers. Many Indian advertisements deploy nationalism (“...*desh ka namak*...” or “...salt of the nation...”), culturalism (“...*Diwali ki khushiyan xyz ke sath*...” or “...happiness of Diwali with xyz...”), sense of care (“...*har pal sath nibhaye*...” or “...with you always...”) etc. to evoke strong emotional connections with the audience. Without over-generalising, this should hold good in countries with cultural similarity to India (like southeast Asia, Middle East). Ethos or the use of an experts (or authority) is the next vital element for improving attractiveness (and to a lesser extent, persuasiveness). Thus the protagonist should enjoy power (credibility), which may be legal/professional (e.g. a doctor, engineer), charismatic (a favourable referent) or expert (e.g. farmer, vendor). This should help in the generation of initial curiosity and subsequent engagement with the advertisement. Lastly, logos or the use of reasoning to support one’s point, turned out to be the mainstay of persuasion for all the three profiles. Hence, advertisement

designers can do well by including some hard facts (“...kills 99 percent bacteria... as per xyz report...”; “...according to xyz agency report, ours is the fastest growing company....”) without compromising on flow and delight. Obviously, the balance and relative prominence of EPL components should take into consideration, the nature of the product sub-category and the intended consumer segment, determined by thorough marketing research.

Celebrity endorsement is a costly proposition and should be used judiciously. It was found to have varying effect on audience, depending on demography. Millennials particularly were less likely to make their purchase decisions of FMCG products over the call of a celebrity. Thus, if a product belonged to this category and Millennials happened to be the largest consumer segment, then the company may alternatively focus on enhancing the logical appeal of advertisement instead of spending money on celebrity endorsements. And finally, advertisements should be of moderate duration (around twenty-two (22) seconds as per this paper), as a wider deviation from this may either hinder people to take due notice or lead them to boredom, and the desired objectives may not be achieved.

Limitations and Future Research Direction

One of the limitations of this paper is that the samples were restricted to the urban areas. Rural India with its burgeoning population is likely soon to emerge as a mega driver of commodity driven business. Also the research does not include urban adolescents which could have further widened our understanding. These limitations resulted from the fact that the research was carried out as a student project which was constrained by time and other resources. Apart from addressing these issues, future researchers may go beyond FMCG products to study more product categories. Researchers may also like to probe the underlying mechanism behind the persuasion process from consumer behaviour perspective. They can also probe the relative importance of functional and aesthetic benefits of advertisements. In the final analysis, we believe this propaedeutic work opens up some new vistas besides enriching the existing body of knowledge.

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Table 1: Correlations among Study Variables

	Dur.	Cel.	EPL Ratings (Stage 1)			Impact Ratings (Stage 2)			
			Ethos	Pathos	Logos	Profile X		Profile Y	
						PR _X	AT _X	PR _Y	AT _Y
								PR _Z	AT _Z
Dur.	1.000								
Cel.	-.059	1.000							
Ethos	-.031	-.068	1.000						
Pathos	.347**	.209*	-.147	1.000					
Logos	-.124	-.101	.176	-.201*	1.000				
PR_X	.095	.045	.200*	.162	.408**	1.000			
AT_X	.346**	-.128	.131	.379**	-.046	.428**	1.000		
PR_Y	.073	.177	.346**	.270*	.322**	.384**	.113	1.000	
AT_Y	.258**	.093	.208*	.514**	.037	.198*	.423**	.634**	1.000
PR_Z	.044	.240*	.145	.233*	.174	.217*	.010	.652**	.408**
AT_Z	.303**	.099	.093	.411**	-.024	.135	.174	.535**	.659**
								1.000	1.000

Note: Dur.: Duration of advertisement (in seconds); Cel.: Status of celebrity endorsement (0=No, 1=Yes); PR_X: Persuasiveness rating for participants with Profile X; AR_X: Attractiveness rating for participants with Profile X.

**Appendix A: Examples of Script Denoting EPL in
Advertisements Included in this Study**

	Sample Script (Translated from Hindi)
Ethos	“...(as the celebrity announces) I use it daily as it is the best choice...”
	“...(protagonist posing as a doctor) I always recommend it to my patients...”
Pathos	“...it cares like your mother...”
	“...follow the rich tradition of this country with...”
Logos	“...lab results show it kills 99 percent bacteria...”
	“...best for your bike since it has xyz (some chemical)...”

“Ethics is knowing the difference between what you have a right to do and what is right to do.”

- Potter Stewart

Impact of Ethical Business Practices on The Competitiveness of Service Sector Startups and Emerging Enterprises in India: A Regional Perspective

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Abstract

Ethical codes had not been subjected to much scrutiny in Indian corporate practices. A culture that is conservative in monetary terms attaches a very high value to wealth creation, in turn, leading to business practices bringing change in the lives of many. It had been hypothesised that "small startup firms stressed on revenue collection". Presently most of the regulations regarding business ethos, good governance and corporate social responsibility focused on large public listed companies. Studies completed in India mostly concentrated on large firms and were based on the secondary information. This research used a descriptive research design, with the survey as the primary method of data collection. Key personnel and officials of organisations were interviewed / surveyed as internal stakeholders. Customers within easy reach, nearby observers, government representatives, independent company auditors etc. were asked questions about EBP (ethical business practices) in service delivery quality and service failure handling, as external stakeholders. Stratified random sampling were used, supplemented by simple random sampling. Respondents were mainly from the Mumbai-Pune-Ahmedabad (MPA) Industrial region, followed by Bangalore-Hyderabad-Chennai (BHC) and Delhi-Calcutta (DNCR) Industrial regions. Cross tabular analysis of industries revealed that in the Bengaluru-Hyderabad-Chennai (BHC) region, most of the firms believed in EBP, whereas in the Delhi-Calcutta (DNCR) and the Mumbai-

Pune-Ahmedabad (MPA) regions, more firms came across as EBP non-believers. The study results were used to create two clusters of the sample firms, namely, 'Low Ethics Less Growing Start-ups' (LELGSU) and 'Highly Ethical Fastly Growing Startups' (HEFGSU). LELGSU were mostly in the MPA Industrial region, associated with the high level of commercial activities there. Dimensions and effectiveness of the opted EBP vary considerably, based on service industry differentiation as well as on the resultant impact on the competitiveness dimension

Keywords: Ethical Business Practices, Service Startups across Industries, Competitiveness.

Introduction

The CSR (Corporate Social Responsibility) movement of the 1960s and 1970s was motivated more by social considerations, than by economic ones. Codes of ethics established in companies were often not supported by training employees in ethical practices and behavior. It was not clear or evident whether confidential reporting lines had been used effectively; and, in many cases, no senior manager was clearly designated to handle ethics issues. However, in the last decade; there was empirical research evidence of the measurable payoff of CSR initiatives to companies and to their stakeholders. Ethical codes in the Indian context had not been subjected to much scrutiny. A culture that is conservative in monetary terms must of necessity attach a very high value to wealth creation, which in turn, would lead to life-changing business practices thus reinforcing the wealth creation process. Many well established firms had clear ethical codes of conduct which they endeavoured to follow strictly. These firms were successively increasing their participation in the CSR activities. There was a tendency for small startup firms to stress on revenue collection. Presently in India, most of the regulations regarding business ethos, good governance and corporate social responsibility were found in large public listed companies, especially in the more developed societies. A gap existed among the ethical scenarios of nations. There was thus the urgent need for more empirical and theoretical research work in this sphere, to encourage a closer relationship between societal culture and business ethics. This urgency and significance was all the more telling when we read or heard of business houses getting involved in unethical business practices to increase their profits or to improve their marketing capability.

The Indian service sector was the youngest and also the fastest growing sector of India, having the largest share in the structure & growth of the economy. It was a foremost tool of growth and development of a nation. At the same time, recently, this sector in India had been accused of service failures and incompetence related to the unethical and irresponsible behavior /and practices of its management and professional staff at various levels. Our research focus was on the emerging and startup Indian service sector corporates, building on earlier studies on the status of ethical practices and focusing on the need and possibility of its revival there (Kanda, 2017).

Mulla (2003) observed that the “efficacy of corporate initiatives in the ethical regard in the Indian environment remains to be seen”. Seshadri - Raghawan - Hedge (2007) expanded this point to suggest that “business ethics were also about creating an ethically sound working environment within organisations and about modeling ethical behavior by leadership. It makes good long term business sense to be ethical”. Jalil - Azam - Rahman (2010) noted that “Ethics and ethical behavior are issues which are increasingly being focused on and “organisations are crossing the red zone of ethics and ethical behaviors”. They also acknowledged that “organisations are constantly surveying and evaluating the unethical practice in business organisations worldwide”. They recommended that “it is very essential to have a code of business ethics in every business organisation and having the code implemented in the organisation in objective and effective ways”. Mishra - Sharma (2010) also noted that “effective CSR Policy within specific industries and companies is becoming increasingly accepted, but its implementation varies”. Smart - Barman- Gunasekera (2010) were of the view that “corporate communications and reporting on sustainability need to do more than just pay lip service to the green agenda” and “Ethics must be embedded in business models, organisational strategy and decision making processes”. They further contended that “governance structures should include people with appropriate skills to scrutinise performance and strategy across social, ethical and environmental issues”. Labbai (2013) stressed that “companies must adopt and disseminate a written code of ethics, build a company tradition of ethical behavior, and hold its people fully responsible for observing ethical and legal guidelines”. He recommended that “companies able to innovate new solutions and values in a socially responsible way, are most likely to succeed”. Husssaini (2014) in her research on top Indian IT companies, emphasised a “strong need to formally address the ethical issues with all seriousness”. She argued that “ethical and compliance policies are not in place in Indian IT firms and there is

a strong need to improve to reach up to global standards, if they wish to succeed in global markets over the long term”. She recommended that “a standard for measuring and reporting ethical behavior in business should be adopted to validate the claims of it being ethical”. Mishra - Dalvi - Sahni - Verma (2014) stressed that “most of the well established firms have a well written ethical code of conduct and they strictly follow it”. They further commented that “these firms are successively increasing their participation in the CSR activities”. On the other hand, they noted that “small startup firms stress on revenue collection. Available empirical data seemed to indicate that “ethical practices in business help to create favorable relationships with other organisations and establish long-term positive relationships with existing and potential future customers” and hence the slogan, “Grow and sustain in the long run” (Kanda - Handa, 2018a).

Research Gap and Importance

A review of available studies revealed minimal or negligible research had been conducted related to ethical issues in Indian service sector firms. The few reports available were more likely to indicate substantial ethical failures. Because the service sector was the most growing sector of the economy, and part of India’s global economy aspirations, this study was important and would be a useful contribution to obtain a clear picture of the collective scenarios of Indian businesses. (Kanda, 2017).

Objectives of the Study

The objective of this study was to identify and understand the ethical practices followed by Indian service start-up corporates; and to ascertain the impact of ethical business practices on the competitiveness of service sector startups and emerging enterprises in India. The study also investigated whether dimensions and effectiveness of opted ethical business practices varied across industry differentiation and the resultant impact of ethical business practices on the competitiveness of service sector startup and emerging enterprises.

Scope of the study

This research covered the existence and practicability of ethical conduct in the present competitive business environment in India. It also sought to give a brief overview of the global trend and the competitive situation of the Indian economy. (Kanda, 2017).

Research Design / Methodology

This qualitative research exercise used a descriptive research design. The survey was the primary method of data collection. A structured data collection method was used to collect primary data. Personal interviewing was also used, supplemented by telephonic & electronic interviews, and observations, depending upon the reach and availability of samples. A pilot survey on 10% of the sample, i.e., twenty (20) organisations, was initiated in inception to flush out the anomalies left, which followed a main research survey, after corrections, in the respective sub-sectors. Methods for the data collection from the above sources included sample survey, observation, expert opinion and secondary data analysis as appropriate with a sample size of 0.51 % (all India sample of 203 concerns out of total 39,971 concerns in service sector India*), adjusted based on adequate representation of the industry and region (Kanda - Handa, 2018a, b).

Measurement and Scaling

A pilot survey of ten (10) enterprises in NCR was carried out, to identify ten (10) dimensions of ethical business practices in services, measured on a ten point scale: EBP1 - Customer Relationship Management; EBP2 - Public Relations; EBP3 - Social Cause; EBP4 - Public Disclosure; EBP5 - Corporate Social Responsibility & Governance; EBP6 - Product Quality; EBP7 - Organisational Citizenship; EBP8 - Service Failure Handling; EBP9 - Grievance & Redressal; EBP10 - Other Factors (Stake holders' survey). Based on earlier business studies and measures of corporate performance, Organisational Competitiveness (OCFY1, OCFY2, OCFY3, OCFY4,

OCFY5) was measured for the last five years (2011-2016), based on a 10-point scale: OC1 - Business Image, Stakeholders' Opinion and Social Entity (in concerned region); OC2 - Financial Performance and Administrative Efficiency (in the Industry); OC3 - Employee Morale and Organisational Corporate Citizenship (In general); OC4 - Business Turnover and Marketing Costs (Industry, Sectoral and National Average); and OC5 - Quality Assurance, Product Utility and Other aspects (based on Segmental Standards). Weighted Averaging has alike: $OCFY = (OC1 + OC2 + OC3 + OC4 + OC5) / 5$. For large corporates, if taken in some instances, sample was taken more than once, considering regional variation. For questioning throughout the different segments of survey, questionnaire rating scales such as category scales, summated rating Likert scale, and graphical rating scale was used for the purpose. Dichotomous questioning was also used for some of the basic incepting questions such as asking about the existence of ethical governing structure in the organization (Kanda - Handa, 2018a, b).

Sources of Information

The primary sources of this study included the primary market survey, various meetings, interviews & seminars with a number of economists, analysts, industry and spokespersons (relevant and accessible) in the respective fields as well as general concerns of society at large. The main secondary sources of data and information collection included the internet, newspapers and journals, and reports and statistics of various organisations - annual reports, special reports, surveys and facts of analysis etc.

Sampling Criterion

The samples were of companies / other registered organisations in the service sector in India. For reasons of confidentiality, individual identities were not disclosed.

Sample Size

The primary data collection was from a sample of 203 service concerns in a three

tier survey. Key personnel / Official(s) from these organisations were interviewed / surveyed on the existence and chief concerns of EBP in their organisations, including service delivery quality, service failure handling, and their impact on the organisational and business growth. Customers within reach, nearby observers, government representatives, independent company auditors, independent research organisations, research groups, CSR / corporate governance organisations, etc. The details of survey details are summarized below:

Range / Area of Activity	No. of Companies	Sample
Business Services	9,752	50
Community, Personal & Social Services	3,064	15
Construction	5,345	25
Finance	8,237	40
Insurance	135	5
Transport, Storage and Communications	1,447	5
Real Estate and Renting	3,859	20
Trading	6,214	30
Others	1,918	13
TOTAL	39,971	203

**Source: Annual Report 2014-15, Ministry of Corporate Affairs, GoI.*

Note: Population here for the purpose of this research, consisted of companies / other registered organisations in service sector, having its span of operations in India in the respective activity. According to the body of existing research body, “Most of the well established firms have a well written ethical code of conduct and they strictly follow it”. At the same time, “Small startup firms stress on revenue collection” and have a greater probability of getting indulged in unethical practices (Mishra - Dalvi - Sahni - Verma, 2014), The focus of the population was on the startup and emerging business concerns. Sectoral quota as well as Industrial regions had also been considered while determining the size and proportion of sample, based on the share of each sector / region in the total investment as well as contribution to the GDP growth of the nation.

Sampling Technique(s)

Stratified random sampling was used, supplemented by simple random sampling, and judgmental and/or convenience sampling in exceptional cases.

Statistics used (All India Basis)

‘NIIR - All India Companies Directory - 6th Edition’, provided useful details on the key official(s) as well as other necessary information to guide the sample determination out of the above mentioned population. Regional Yellow Pages Dairies and respective industry association databases have also referred for the purpose.

Data Collection Technique(s)

Primary data was collected through personal interviews, supplemented by mail questionnaires, e-mail interviews / questionnaires, etc

Sampling Variable

Personnel(s) / Official(s) of the above organisations, as per the given statistics, have been interviewed / surveyed by the above mentioned modes of data collection.

Analysis and Interpretation

Regional Sample Representation

The maximum sample was taken from the Mumbai-Pune-Ahmedabad (MPA) Industrial Region, followed by those from the Bangalore-Hyderabad-Chennai (BHC) and the Delhi-Calcutta (DNCR) Industrial Regions. See Figure 1

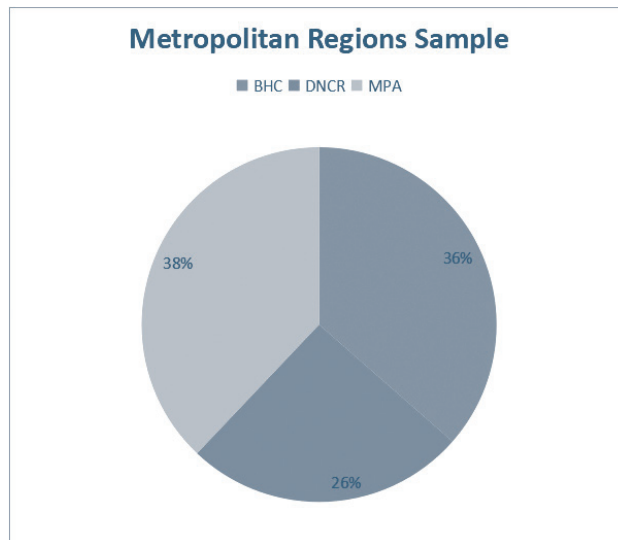
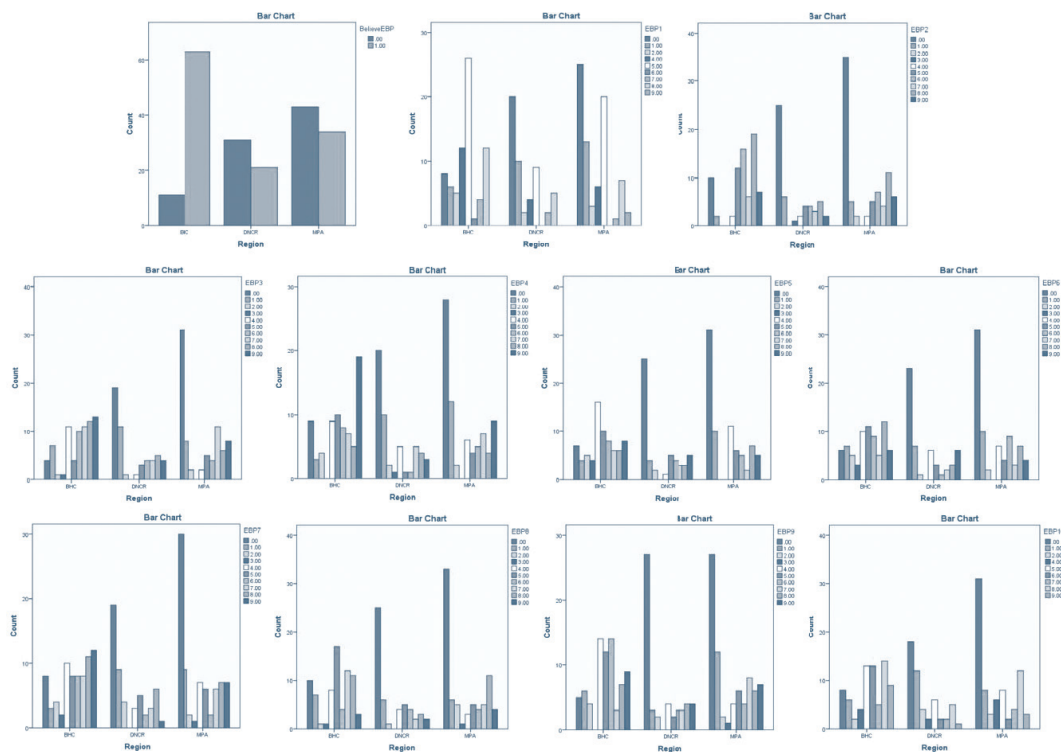
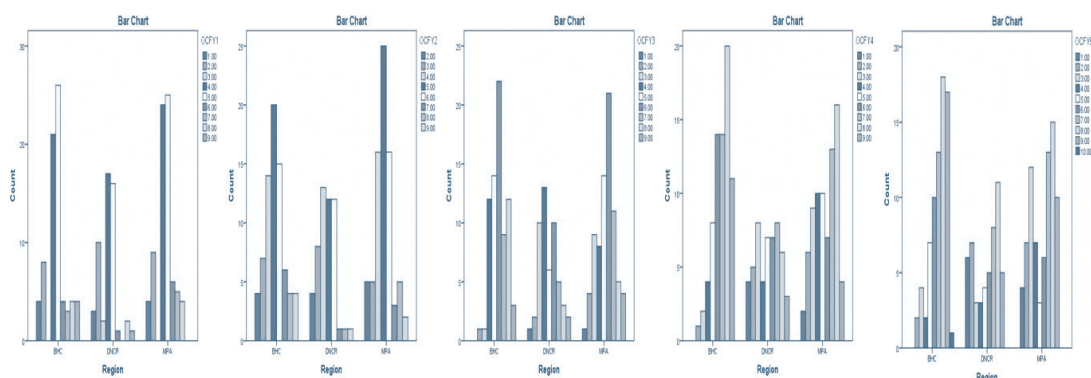


Figure 1. Belief in Ethical Business Practices (EBP) and Scenario of EBPs



In the Bengaluru-Hyderabad-Chennai (BHC) Region, most of firms observed believing EBP. In the Delhi-Calcutta (DNCR) and the Mumbai-Pune-Ahmedabad (MPA) Region, most firms observed not believing EBP.

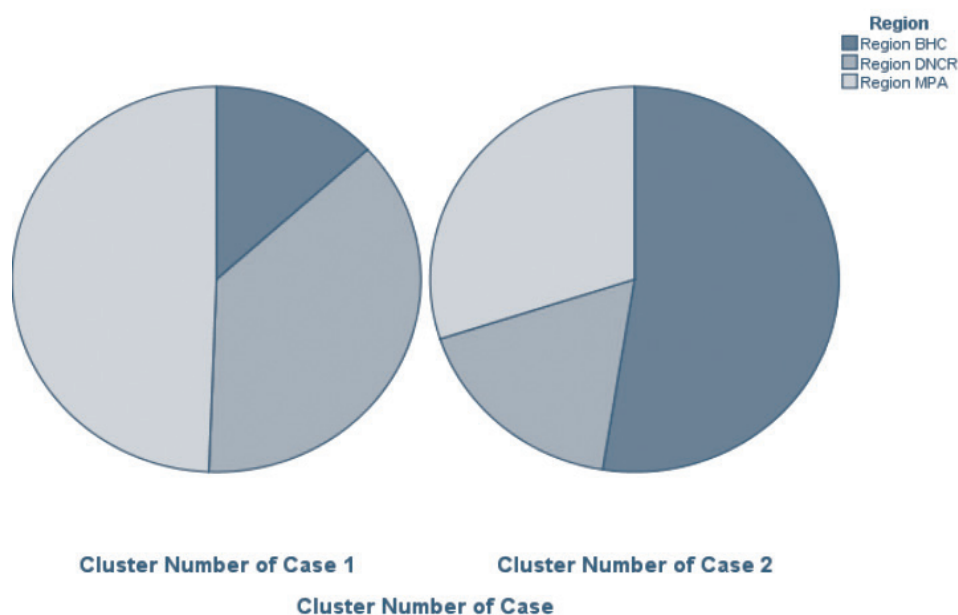
Organisational Competitiveness: Financial Year 1 to 5



Clustering Analysis (Regional Representation)

Based upon the study results, the sample firms have been apportioned among 2 clusters, namely, 'Low Ethics Less Growing Start-ups' (Cluster 1) and 'Highly Ethical Fastly Growing Start-ups' (Cluster 2). Low Ethics Less Growing Start-ups were maximally represented from the Mumbai-Pune-Ahmedabad (MPA) Region, followed by the Delhi-Calcutta (DNCR) Region, and the Bangalore-Hyderabad-Chennai (BHC) Region. The Highly Ethical Fastly Growing Start-ups were represented maximally from the BHC, followed by the MPA and the DNCR.

Region * Cluster Number of Case Crosstabulation Count



Interpretation: the maximum sample in Cluster 1 was from MPA, followed by DNCR and BHC. For Cluster 2 the maximum sample was from BHC, followed by MPA and DNCR.

Region-wise Curve Estimation Analysis

	Movement from Cluster 1 towards Cluster 2						
Region	OCFY1	OCFY2	OCFY3	OCFY4	OCFY5	Overall	Trend
BHC	5 to 4<5	5>4 to 5<6	5>4 to 6<7	5 to 7<8	5>4 to 7<8	Up	I I I I
DNCR	4>3 to 4<5	5>4 to 5	4 to 6	4 to 7	4 to 7<8	Up	I I I I
MPA	4 to 5	5>4 to 5<6	5>4 to 6<7	4 to 7	4 to 7<8	Up	I I I I

Overall, it was observed that all the regions, the BHC (Bangalore-Hyderabad-Chennai Industrial Region), DNCR (Delhi-Calcutta Industrial Region) and the MPA (Mumbai-Pune-Ahmedabad Industrial Region) had an across-the-board increase.

Summary and Conclusion

Ethical Codes in the Indian Context had not been subjected to much scrutiny. A culture that was conservative in monetary terms attached a very high value to wealth creation, in turn, leading to business practices bringing change in lives of many and ensuring the process of wealth creation. The Indian service sector, the newest and also the fastest growing sector of the economy had the largest share in the structure and growth of the economy. In recent years, this sector in India had been accused of service failures and incompetence, associated with the irresponsible behavior of management or professionals at various levels. This study is significant in giving a clear picture of the collective scenarios of Indian businesses and thus can make a useful contribution towards a better understanding of the phenomena (Kanda, 2017). Samples were from the business services (24.6%), followed by the finance (19.7%), trading (14.8%) and community, personal & social services (12.3%) sectors. Cross Tabular Analysis of Industries revealed that in the business services (BS) sector, more firms observed believing EBP. In the construction sector, most firms observed believing EBP. In the

community, personal and social services (CPSS) sector more firms observed believing EBP. In the finance sector, most firms observed believing EBP. In insurance, most Firms observed not believing EBP. In Others, most firms observed believing EBP. In Real Estate and Renting (RER), equal number of firms observed believing / not believing EBP. In Trading, most firms observed believing EBP. In Transport, Storage and Communication (TSC), most firms observed believing EBP.

Based upon the study results, the sample firms have been apportioned among 2 clusters, namely, 'Low Ethics Less Growing Start-ups' and 'Highly Ethical Fastly Growing Start-ups'. Low Ethics Less Growing Start-ups are maximum in case of Finance Industry, that is a common observation in case of many small start up finance firms, followed by Business Services, Construction/Trading, Real Estate and Renting (RER), Community, Personal & Social Services (CPSS)/Others, Insurance, Transport, Storage and Communications (TSC) Industries. Whereas, Highly Ethical Fastly Growing Start-ups are maximum in case of Business Services (BS) Industry, followed by Finance, Trading, Construction, Real Estate and Renting, Community, Personal & Social Services (CPSS), Others, Transport, Storage and Communications (TSC), Insurance Industries. As per the results observed, dimensions and effectiveness of opted Ethical Business Practices vary across based on service industry differentiation and the resultant impact of ethical business practices on the competitiveness varies accordingly, subject to the organisation's strategic positioning and management (Campbell - Malan, 2002; Mishra - Sharma, 2010; Tonello, 2011; Husssaini, 2014; Patel - Schaefer, 2014; Kanda - Handa, 2018a, b).

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**“The child is the father
of the man.”**

- William Wordsworth

Children as Decision Makers in Family Buying Behavior

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Abstract

An interesting new market segment has emerged over the last two decades: children are now considered to be the biggest influencers in family purchase decisions. Marketers treat them as independent customers who actively participate in family decision making. This paper seeks to understand the perception of children as well as parents regarding the impact children exert in products for their own consumption and products for family consumption. This study estimates the degree of influence children have in decision making for purchase of commodities to meet family requirements over five product/service categories viz., shoes, restaurant, color of the room, home appliances and health drinks under various buying decision making components. The buying decision process includes need recognition, where to buy, when to buy, what to buy and amount to be spent. The study concludes that children play an important role in the buying decisions for low-involved products directly used by them. In high-involved products, both children and parents of a family perceive that parents play a dominant role in buying decisions.

Keywords: Children; Parents; Product; Buying; Decision Making

Introduction

India as a diverse country has grown in leaps and bounds with changing socio-cultural and technological environments and demographic transitions. India is one of the young countries in the world (Meena, 2015) with 64% in the working class by 2020 (Hindu April, 2013) and the youth population of 464 million by 2021 (Jaiswal et. al., 2015). Decision making is a complex process which involves the influence of various controllable and uncontrollable factors of a social, cultural and economic nature (Ruth and Commuri, 1998; Williams et al., 2001). Dramatic changes in family types, distinct roles played by each participant, and changing communication styles provide much scope for marketers to understand the positioning strategies to be used to get across to their prospective target segments (Tinson et al., 2008; Szybillo and Sosanie, 1977). Traditionally, family purchase decisions followed a typical pattern of decision-making where a consensus was reached before final decisions. However, changing consumption patterns, cultural-shifts, changing family relations and lifestyles are influencing new patterns of family consumption behavior (D'Silva et al., 2007). Changing demographics, communication, parenting styles and changing interpersonal relationships have created a shift in decision making roles within families. Dynamics of changing patterns in family have changed traditional agents of decision making for the purchase of family needs. Children are becoming more market savvy and active participants in decision-making. (Ward, 1974).

This study seeks to understand the role of children and parents in buying decisions for family requirements of low and high involved purchases. This includes initiation triggered by children in purchasing decisions, the role and degree of involvement they play in family purchase decisions in terms of products related to children or family. Specifically, the study evaluates parents' perception of children's participation in the family decision-making process when purchasing eleven different product categories.

Literature Review

Berey and Polay (1968) proposed that children's assertiveness and parent's child centeredness are two important variables that impact involvement by children in family purchase decisions. Mangleburg et al. (1999) found that authority relationships

between parent and child influence children's participation in purchase decisions. Advancement in internet and telecommunication technology (ICT) has empowered children in many possible ways (Calvert, 2008). Because of changing family structures during the latter part of the century, the children now play dominant roles in influencing decision-making (Ekstrom et al., 1987; Belch and Willis, 2001; Silverstone Grant et al., 2011; Kaur and Singh, 2006). Children being the sphere of influence in family buying environments take a lot of influence from various internal and external social stimuli. Family as an important socialisation agent plays an important role in shaping children's behaviour by modeling (observing and imitating parent's shopping skills), reinforcing (strengthening consumer skills by repeating parent's purchase behaviour) and learning social skills (discovering social interactions) which imparts children's consumer learning (Banovcinova et al., 2014; John, 1999).

Children consume products like toys, food items etc. and influence the purchasing of products like clothing, educational support etc. Grant and Stephen (2006) showed that parental and peer group influence teenagers (11-13-year-old) purchase decisions on fancy and fashionable items. The purchase behavior at home and the preference of various purchasing agents such as family members, friends and neighbors influence buying pattern (Calvert, 2008; Filiatrault and Ritchie, 1980). However, children also have a large influence on the purchase of hi-tech products (Silverstone Grant et al., 2011). In family decision making, participants exhibit various purchase behavior roles like initiator, influencer, decider, buyer and user. Children demonstrate various levels of influence which has been studied for a wide range of product categories (Martensen and Gronholdt, 2008; Belch et al., 1985, Shoham and Dalakas, 2003; Wimalasiri, 2004). Depending upon the complexity of the product categories and the financial risks involved in decision-making of products/services, the influence of children varies. For products used for their own consumption children have a lot of influence on product choices (John, 1999; Aslan and Karalar, 2011) whereas in the case of complex and expensive products the influence is found to be least impactful (Mangelburg, 1999; McNeal and Yeh, 2003). How children are involved in family purchase decisions is related to factors like parent-child relationships, parental style, communication style and consumer socialisation (Moschis, 1985; White, 2000; Darley and Lim, 1986; Foxman and Ekstrom, 1989; Carlson and Grossbart, 1988). Filiatrault and Ritchie (1980) and Thomson et al. (2007) argued that children acquired the knowledge and information through observing the purchasing intentions and behaviour of their own family member and peers as well as through the internet. However, the

degree of children's involvement and influence in purchase decision making tend to vary depending upon family authority relationships and family types, such as single parent and step parent families (Mangelburg et al., 1999). Research has shown that changing family structure as an important factor impacting purchase influences within families. Tinson and Nancarrow (2005) identified gender role orientation (GRO) as one of the factors influencing purchase decision-making. Another factor in decision-making environment is the interpersonal communication within families. Children's influence in purchase decisions varies with communication styles followed within families (North et al., 2007).

Factors influencing children participation in purchase decisions

Stipp (1988) explained that the role of children as influencers in purchase decisions has been ignored. In consumer behaviour literature, children are recognised as playing varied roles such as initiator, influencer, decider and final purchaser in purchase decisions. In fact, children play more than one of these roles depending on the product categories and the parents' perception on the extent of purchase involvement. The factors listed in the literature as influencing agents in purchase decisions include family communication, children socialisation and agents, age and gender, and product categories. These factors are usually inter-related and play active roles in children's perception related to market, products and purchase decisions.

3.1 Family communication

In a familial environment, the role of communication impacts the attitude and perception of various members, which in turn affects purchase decisions. Children derive their own perception of the environment by observing the communication environment around them to gain a systematic understanding of markets and various activities. Carunna and Vasallo (2003) argued that communication patterns followed by families have an important role in children's orientation as customers at an early age. Irrespective of the family structure, dyads (husband and wife) or triads (including children) communication styles have an impact on final purchase decisions. The family as a decision-making unit has always interested marketers, particularly the shifting roles played by each participant. Traditionally, elderly members were the main decision

maker within families. Now, exposure to modern technologies, changing demography, socio-cultural shifts and changing perceptions have resulted in a more flexible family decision making style. Now, marketers are focusing their attention on children as an important segment to explore.

Newcomb (1953) and McLeod and Chaffee (1972) have identified four types of family communication patterns - laissez-faire, protective, pluralistic, and consensual as useful categories to explain the communication environment within the families and their outcomes on children's orientation towards purchase decisions. Of the various communication patterns, pluralistic families are considered to be the ideal environment for open communication and discussion of ideas. Children are encouraged to explore new ideas and express them without fear of retaliation. The emphasis in this communication structure appeared to be on mutual respect and interests (McLeod and Chaffee 1972). Moschis (1985) explored the importance of informal communication in the context of families and its effect on the consumer learning of children and adolescents. Carunna and Vasallo (2003) pointed out that interpersonal communication was closely related to parenting styles as well as relationship development among family members. They pointed out that socio-oriented and concept-oriented communications styles are the two important orientations that influence children in their purchase decisions. Socio-oriented communications emphasise the need to adapt to societal views, by taking into considerations the views of others. On the other hand, concept-oriented communications encourage children to be independent opinion makers in their purchase decisions.

3.2 Children Socialisation and Agents

Children socialisation refers to the process by which children and young people obtain skills, knowledge and attitudes relevant to their functioning in the marketplace (Ward, 1974). Mangleburg et al. (1999) pointed out that children's purchase influence can be conceptualised as an outcome of the socialisation process by which children actively take on the consumer role and practice the consumer skills that they have learned. Consumer socialisation is a developmental process that proceeds through a series of cognitive and social development stages in children. These changes occur as the children move through the stages of consumer socialisation process such as the perceptual stage, the analytical stage, and the reflective stage (John, 1999; Moschis and Moore, 1979). Senthil and Ramachandran (2011) argued that the social media acts as an efficient agent of socialisation for children. Neeley and Coffey (2007) analysed mothers' communication skills with children and its influence on the children's

socialisation process. Sharma (2011) pointed out that consumer socialisation of children in India resulted in the emergence of children as an important influencer in purchase decisions within families.

A socialisation agent refers to a person or organisation directly involved in socialisation influences through their frequency of contact, primacy, and control over rewards and punishments given to the individual (Moschis and Moore, 1979). These agents influence the psychological, emotional, and behavioral development of young people as they become consumers in the marketplace (Moore et al., 2002). Figure 1 illustrates the role of socialising agents (primary and secondary) who ultimately impact children's influence on purchase decisions. These agents prepare the children to develop the attitude, skill and knowledge essential to their functioning as consumers.

	Influences in Purchase Decisions
Primary Agents	Primary agents like family, friends, peers and schools shapes children's social and psychological perspective regarding market, marketing and consumption behaviour.
Secondary Agents	Secondary agents like media, religion, retailer and technology helps in reshaping their perception of the culture, norms, values and consumption patterns thereby establishing them as dynamic players/ consumers in the market place.

Figure 1: Socialisation agents and their influence in purchase decisions.

3.3 Age and Gender

John (1999) suggested that the child's age is an important factor with regard to the child's influence on family decision making. Most studies found that older children have significantly more influence than younger ones (Atkin, 1978; Beatty and Talpade, 1994; Darley and Lim, 1986; Jenkins, 1979; McNeal, 1969; Mehrotra and Torges, 1977; Nelson, 1978; Rust, 1993; Swinyard and Sim, 1987; Ward and Wackman, 1972). In addition, gender plays an important role as an influencing agent in purchase decisions. Today children have access to all categories of products, either for daily consumption or which are technologically complex.

3.4 Product Categories

Berey and Polay, (1968), concluded that children do not have access to all products and require the support and involvement of mediating agents (e.g. parents) in purchase decisions. The amount of influence children have varies by product category and the stage of the decision-making process. For some products, children are instrumental in initiating a purchase while for others, they make the final selections themselves. (Kaur, 2006). Several studies identified that the influence of children in purchase decisions is limited to those products for their own consumption (Foxman et al., 1989). On the other hand, several studies indicated the growing influence of children on their parents' purchase behaviour in a wide variety of product ranges, not just in their own purchases but also in those made by the family unit (Filiatrault and Ritchie, 1980). Researchers found that children tend to assert greater influence in product categories that are most relevant to them (Beatty and Talpade, 1994). Mangleburg et al. (1999) suggested that the family members do not interfere much on children preferences where the children are the final user of the products. The influence of children in family purchase decisions varies depending on type of the product under consideration, whether they are child related or family related.

Proposed Model

A number of consumer behaviour studies revolving around dyads (husband and wife), their behavioural patterns, buying roles, motives etc. ignored the role played by children in purchase behaviour. The proposed model takes into account the influence of children on family decision-making, specifically purchase related.

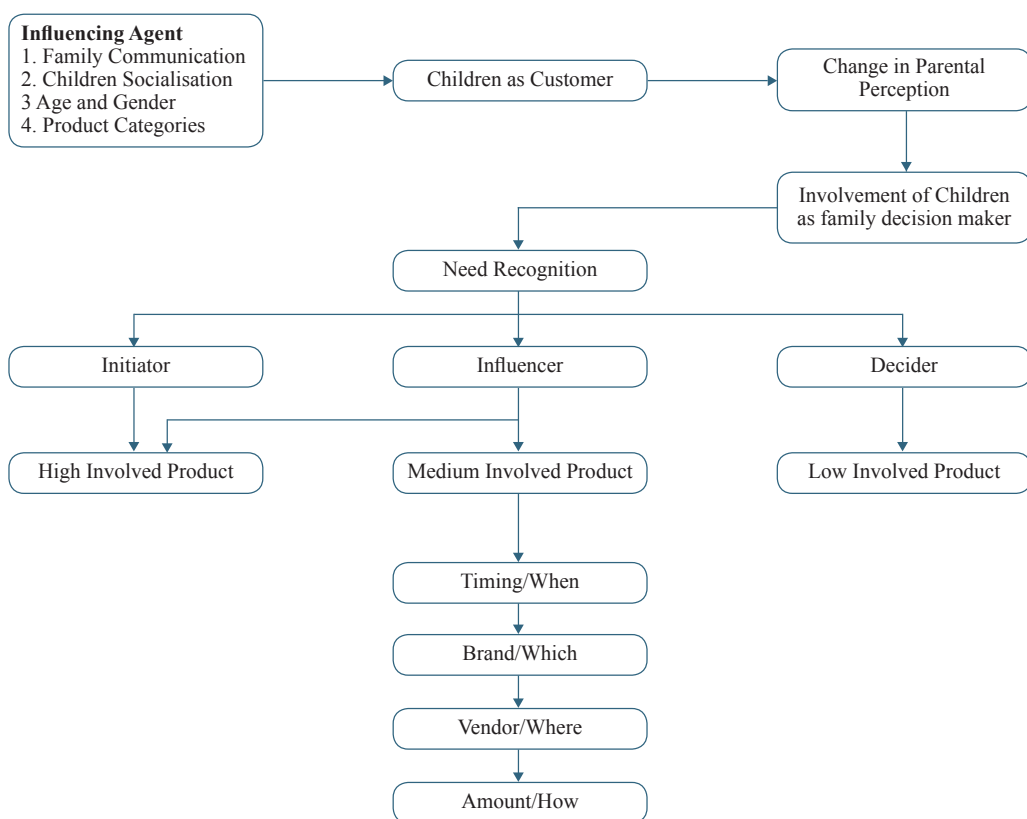


Figure 2: A proposed model of children's influence in family decision-making

This model attempts to capture the changing dynamics of decision-making process in families. It includes the involvement of children as an integral part in family decisions, not just in their own purchases but also those made by the family unit. Every family has a specific decision-making environment depending upon their own family-specific characteristics like, communication styles, socialisation and the agents, demographic factors and personal factors and the degree of influence in relation to various product-categories. These factors act as a medium which changes the outlook of children, regarding the market, gaining more knowledge on products and services. There can be various marketing activities also which ultimately results in development of children as customers. It should be noted that the degree of influence varies in each house-holds which may or may not result in the early development of children as potential customers.

Decision making is seen as a joint or group activity with varying degree of influence exerted by family member at various levels (Jenkins 1979; Sherman and

Delener, 1987). The family decision making stages has been evolving and is known to go through five stages namely- need recognition, information search, evaluation of alternatives, purchase and finally a post-purchase evaluation stage (Schiffman and Kanuk, 2007; Kotler and Keller 2009). The influence of children may be noticeable at all stages of household decision making process - need recognition, information seeking, product evaluation, and/or actual purchase (Moschis and Mitchell, 1986; Kaur and Singh, 2006). The degree of purchase influence of children is high in initiation stage and final purchase stage than other stages (Sherman and Delener 1987; Shoham and Dalakas 2005; Wang et al., 2007). Children's influence attempt varies with product type as in case of products for personal use (initiators and influencers) and for products of family use (information seeker across various decisions making stages (Kaur and Singh 2006). Children display more influence on sub-decisions and product choice but parents still control final purchase decision (Desai T, 2008; Wut and Chou, 2009).

Research Methodology

Responses were gathered from parents and children from four (4) different localities with different demographic factors like income, occupation and single and dual working families. The study was carried out in a semi-urban city in the eastern region of India with a large and diverse population. Two sets of questionnaires were used for the study; one set for the children and the other set for the parents. Questionnaires were distributed to every family having children. A total of 250 families were contacted, and the overall response rate was 83.6% with 209 completed and usable responses on twenty-five scaled items. The scale reliability is found to be 0.937 which is acceptable. Using the Anderson-Darling test to test the normality of the data, the p value is found to be <0.005 indicating normality of the data. Chi-square test was used to study the influence of demographic variables on various product class and t-test used to analyse the perception of parental and children's Influence in purchase decisions.

The study tested the following hypotheses: -

H₀: There is no significant difference between the need perception of parents and children.

H₀₁: There is no significant difference between the perception of parents and children regarding the place of purchase.

H_{02} : There is no significant difference between the perception of parents and children regarding the time of purchase.

H_{03} : There is no significant difference between the perception of parents and children regarding the brand.

H_{04} : There is no significant difference between the perception of parents and children regarding the amount to be spent.

Results and Discussion

The sample size of 209 (N=209) comprised 88 male children and 121 female children. The demographic details are given in the tables below.

Table 1: The Demographic Profile of Children

Descriptive Statistics – Children (N=209)					
Gender	Male	Female			
	88 (42.1%)	121 (57.9%)			
Age	Kid	Adolescent	Young		
	60 (28.7 %)	94 (45 %)	55 (26.3 %)		
Education	Upto Class X	Class X- XII	Graduate	Professional Graduate	
	138 (66%)	60 (28.7%)	7 (3.3%)	4 (1.9%)	
Number of Sibling	No Sibling	One	Two	Three	Four
	37 (17.7%)	111(53.1%)	48 (23 %)	10 (4.8%)	3 (1.4%)

Table 1. shows the children's responses on the scaled items on various product categories viz. shoe, restaurant, color, home appliances and health drinks on various parameters viz. need recognition, where to buy, when to buy, brand choice and amount to spend, etc.

Table.2, gives the frequency distribution of influence of children on specific product types and decision- making areas as perceived by children.

Table 2: Frequency distribution of influence of children on specific product types and decision- making areas as perceived by Children

Need Recognition					
Product Category	Child Decides	Child Initiates	Child & Parents Decides	Parents Initiates	Parents Decides
Purchasing New Shoe	37(17.7)	73(34.9)	41(19.6)	44(21.1)	14(6.7)
Visit to Restaurant	7(3.3)	36(17.2)	76 (36.4)	65(31.1)	25 (12)
Colour of Child's Room	20(9.6)	29(13.9)	64(30.6)	52(24.9)	44(21.1)
Purchase of Home Appliance	5(2.4)	15(7.2)	43(20.6)	75(35.9)	71(34)
Health Drinks	23(11)	24(11.5)	54(25.8)	48(23)	60(28.7)
Where to Buy					
Purchasing New Shoe	15(7.2)	29(13.9)	58(27.8)	59(28.2)	48(23)
Visit to Restaurant	18(8.6)	27(12.9)	73(34.9)	58(27.8)	33(15.8)
Colour of Child's Room	20(9.6)	20(9.6)	40(19.1)	65(31.1)	64(30.6)
Purchase of Home Appliance	10(4.8)	23(11)	36(17.2)	63(30.1)	77(36.8)
Health Drinks	8(3.8)	23(11)	50(23.9)	60(28.7)	68(32.5)
When to Buy					
Purchasing New Shoe	14(6.7)	42(20.1)	72(32.4)	52(24.9)	29(13.9)
Visit to Restaurant	8(3.8)	28(13.4)	75(35.9)	64(30.6)	34(16.3)
Colour of Child's Room	10(4.8)	28(13.4)	42(20.1)	69(33.0)	60(28.7)
Purchase of Home Appliance	10(4.8)	16(7.7)	40(19.1)	67(32.1)	76(36.4)
Health Drinks	14(6.7)	25(12.0)	56(26.8)	45(21.5)	69(33.0)
Brand Choice					
Purchasing New Shoe	11(5.3)	38(18.2)	57(27.3)	57(27.3)	46(22.0)
Visit to Restaurant	7(3.3)	25(12.0)	68(32.5)	64(30.6)	45(21.5)
Colour of Child's Room	12(5.7)	22(10.5)	54(25.8)	57(27.3)	64(30.6)
Purchase of Home Appliance	4(1.9)	16(7.7)	46(22.0)	52(24.9)	91(43.5)
Health Drinks	14(6.7)	22(10.5)	42(20.1)	62(29.7)	69(33.0)
Amount to Spend					
Purchasing New Shoe	7(3.3)	38(18.2)	41(19.6)	50(23.9)	73(34.9)
Visit to Restaurant	6(2.9)	17(8.1)	58(27.8)	58(27.8)	69(33.0)
Colour of Child's Room	8(3.8)	21(10.0)	45(21.5)	57(27.3)	78(37.3)
Purchase of Home Appliance	3(1.4)	26(12.4)	32(15.3)	53(25.4)	95(45.5)
Health Drinks	9(4.3)	19(9.1)	32(15.3)	59(28.2)	90(43.1)

The bracket value is in percentage

Table 2 provides the following observations. In need recognition the child plays a vital role of purchasing the new shoe. Both child and parents act as joint deciders during restaurant visits. In identifying the need for home appliances, the parents

play a dominant role. The statistics also suggest that for buying shoes and visiting the restaurants, both child and parents play a combined role in making decisions like where to buy, when to buy and brand choice; but in the amount to be spent on these product categories, parents play a dominant role. Again, it may be noted that parents have a greater say than the children in the amount to be spent on various categories

Table 3 shows the chi-square analysis carried out to determine whether and how the demographic profile influence the various triggers.

Table 3: Chi-Square test for Need Recognition

Need Recognition					
	Shoe	Restaurant	Color room	Home Appliance	Health Drink
Gender	2.689(0.611)	1.242(0.871)	7.623(0.106)	7.077(0.132)	7.162(0.128)
Age	17.382*(0.026)	19.280*(0.013)	6.361(0.607)	9.839(0.277)	9.156(0.329)
Class	15.933(0.194)	8.399(0.753)	16.761(0.159)	21.585*(0.042)	6.652(0.880)
No.of Siblings	13.144(0.664)	19.944(0.223)	12.143(0.734)	20.639(0.193)	10.294(0.851)

*indicates significance at 5% level

The analysis shows that the age of the children influences the need recognition of shoe buying and visit to the restaurant. Similarly, the class in which the child is studying influences the need for the home appliances. No other demographic variables seem to have a significant influence on the need recognition of the other product categories.

Table 4: Chi-Square test for Where to Buy

Where					
	Shoe	Restaurant	Color room	Home Appliance	Health Drink
Gender	6.607(0.158)	8.624**(0.071)	3.413(0.491)	1.287(0.864)	9.919*(0.042)
Age	18.833**(0.061)	20.998*(0.007)	17.171*(0.028)	4.243(0.835)	3.874(0.868)
Class	17.410(0.135)	14.959(0.244)	22.157*(0.036)	10.509(.571)	4.021(.983)
No.of Siblings	23.310(0.106)	14.465(0.564)	27.338*(0.038)	19.463(0.245)	20.654(0.192)

*indicates significance at 5% level and **indicates significance at 10% level

Table:4 suggests that the gender of the children influences visit to the restaurant as well as to identify the place of purchase of health drinks. Likewise, the age of the child influences from where to purchase shoes as well as visit to the restaurant. Similarly, the class in which the children are reading has an impact on influencing the place of

purchase of color. No other demographic variables seem to have a significant impact on the decision regarding the place of purchase of home appliances.

Table 5: Chi-Square test for When

	When				
	Shoe	Restaurant	Color room	Home Appliance	Health Drink
Gender	3.431(.491)	1.462(0.833)	7.110(0.130)	2.975(0.562)	4.005(0.405)
Age	15.263**(0.054)	13.954**(0.083)	3.454(0.903)	7.712(0.462)	14.690**(0.065)
Class	25.062*(0.015)	17.994(0.116)	8.586(0.738)	15.083(0.237)	10.216(0.597)
No.of Siblings	14.472(0.564)	26.669*(0.045)	8.586(0.738)	15.083(0.237)	10.216(0.597)

*indicates significance at 5% level and **indicates significance at 10% level*

Table:5 shows that children's age and class have an impact on influencing parents regarding when to buy shoes. In the case of health drinks also children's age exert influence on the duration of purchase. But age and the number of siblings have an impact on their influence when it comes to decisions regarding where to go in case of restaurants. In the case of decisions regarding the time of purchase of home appliances and color, no demographic factor acts as influential factors.

Table 6: Chi-Square test for Brand

	Brand				
	Shoe	Restaurant	Color room	Home Appliance	Health Drink
Gender	6.570(0.160)	4.038(0.401)	1.842(0.765)	1.000(0.910)	12.359*(0.015)
Age	27.373*(0.001)	6.853(0.553)	6.004(0.647)	15.726*(0.046)	6.217(0.623)
Class	13.652(0.323)	10.442(0.577)	7.897(0.793)	8.431(0.751)	22.818*(0.029)
No.of Siblings	14.314(0.575)	18.338(0.304)	22.670(0.123)	13.728(0.619)	14.012(0.598)

indicates significance at 5% level

Table.6 indicates that, when it comes to the choice of health drink the boy child and a girl child exert different levels of influence. The degree of influence while purchasing shoes and home appliances varies with age. It is also observed that the demographic profile of the child doesn't have much influence while deciding the brands in case of restaurants and room color.

Table 7: Chi-Square test for Amount to be spent

Amount					
	Shoe	Restaurant	Color room	Home Appliance	Health Drink
Gender	4.197(0.380)	1.447(0.836)	2.483(0.648)	7.123(0.130)	5.415(0.247)
Age	4.770(0.782)	9.200(0.326)	3.960(0.861)	8.175(0.417)	6.154(0.630)
Class	7.109(0.850)	7.909(0.792)	10.994(0.529)	14.415(0.275)	8.583(0.738)
No.of Siblings	28.651*(0.026)	17.228(0.371)	14.176(0.586)	13.221(0.657)	17.659(0.344)

**indicates significance at 5% level*

Table:7 shows that in the case of decisions regarding monetary spending, only the number of siblings has an impact on influencing the amount to be spent on shoes. No other demographic factor has a significant impact on influencing parents in terms of how much to spend.

This clearly indicates that parents have a lot of power in deciding the amount to be spent and children have very little or no impact at all in this sub decision stage.

Next the correlation analysis and paired t-test are carried out between the children's and parents' perception on the buying decision over the various product categories. This analysis is useful in establishing the relationship and difference in parental and children's perception. The correlation value, t-statistics and their significance are shown below in Table 8.

Table 8: Paired t-test and correlation analysis between Child and Parents perception

Buying Decision	Pair	r-value	p-value	t-statistics	p-value	Mean (Perception)		Std-Dev(Perception)	
						Child	Parent	Child	Parent
Need	Shoe	0.316	0.000	-4.269	0.000	2.64	3.06	1.189	1.248
	Rest	0.266	0.000	-1.651	0.100	3.31	3.45	1.002	1.004
	Colour	0.402	0.000	-4.154	0.000	3.34	3.71	1.226	1.145
	HM appliance	0.459	0.000	1.247	0.214	3.92	3.82	1.023	1.106
	Health Drink	0.362	0.000	-3.656	0.000	3.46	3.82	1.311	1.165
Where	Shoe	0.295	0.000	-3.647	0.000	3.46	3.79	1.193	1.033
	Rest	0.271	0.000	-1.907	0.058	3.29	3.47	1.142	1.079
	Colour	0.308	0.000	-2.23	0.027	3.69	3.85	1.272	1.088
	HM appliance	0.365	0.000	-1.445	0.15	3.83	3.96	1.179	1.113
	Health Drink	0.377	0.000	-0.739	0.461	3.75	3.82	1.137	1.207
When	Shoe	0.283	0.000	-3.253	0.001	3.19	3.49	1.114	1.088
	Rest	0.164	0.018	-1.931	0.055	3.42	3.59	1.055	0.957
	Colour	0.426	0.000	-2.295	0.023	3.67	2.87	1.272	1.088
	HM appliance	0.450	0.000	-0.237	0.813	3.88	3.89	1.132	1.096
	Health Drink	0.325	0.000	-1.639	0.103	3.62	3.78	1.243	1.227
Which	Shoe	0.136	0.049	-1.665	0.098	3.43	3.71	1.171	2.320
	Rest	0.405	0.000	-0.121	0.904	3.55	3.56	1.060	1.037
	Colour	0.400	0.000	-0.545	0.587	3.67	3.71	1.182	1.137
	HM appliance	0.323	0.000	1.115	0.266	4.13	4.00	1.678	1.074
	Health Drink	0.430	0.000	-0.053	0.958	3.72	3.72	1.218	1.244
How	Shoe	0.542	0.000	2.736	0.007	3.69	3.90	1.218	1.158
	Rest	0.403	0.000	-1.695	0.092	3.80	3.95	1.079	1.164
	Colour	0.399	0.000	-1.646	0.101	3.84	3.98	1.147	1.074
	HM appliance	0.413	0.000	-1.562	0.12	4.01	4.14	1.114	1.094
	Health Drink	0.967	0.067	-1.648	0.101	3.97	4.11	1.158	0.967

It may be noted that the highest significant correlation value of 0.542 is for the product category shoes on the buying decision on how much to spend. The highest correlation value of 0.967 which is not significant at 5% level is for health drinks on the buying decision of amount to be spent on the product. Again, in the product category home appliance, on need recognition there is a fair degree of positive correlation. It

may also be noted that all the correlation values are positive and are significant at 0.05 level. Only the product health drinks on the buying decision amount to be spent shows abnormally high correlation and is not significant at 0.05 level.

It is evident from the 'T-test' that there is significant difference between the parent's perception and children's perception in the buying sub-decision of need recognition in the product categories shoe, color of the room, and health drinks. Regarding decisions on home appliances, both children and parent perceive the role of parents to be dominant. In need recognition of shoes, both children and parents seem to have the opinion that the role of children is more influential. In buying sub-decision where to buy from, there is a difference in perception in the product category shoes and color. The same is true for the buying sub decision when to buy. It is very important to note that for the buying sub decision which brand to buy and the amount to be spent, both children and parent perceive similarly, and agree in the dominant role of parents across the product categories.

Findings and Conclusion

The study identifies the influence of children and parents on various product categories viz. Shoe, Colour, Restaurant, Home Appliances and Health Drinks on various buying sub decision stages viz. Need identification, Where to buy, When to buy, Which brand to choose and How much to spend. The findings of this study indicate that children exert a lot of influence in family decision-making as well as in purchase decisions of all product categories (high, low and medium) though perceptions of their levels of influence between the parent and children varies with the product category. This study suggests that the perception of parents and children regarding the degree of influence is different for direct use products. For the product categories, shoes, color of room and health drinks, the conclusion is that the children's perception is different from that of the parents in buying sub decision need recognition. In the case of decisions regarding home appliances both the children and parent perceives parents as dominant in all decision stages. Likewise in case of the product Shoe both perceive children as more influential in sub-decision making stages. The buying sub-decision on where to buy for the products shoe and color, the perception of both the children and parents differs.

In the initiation of certain product classes like shoe and visit to restaurant, it is found that that parents seek for children's opinion based on their age and class which initiates need due to their exposure to peers and media for high involved products like home appliances. Other demographic variables seem to have little influence on the need recognition stage of the other product categories. In the case of the identification of vendor or retailer, the gender of the children seems to influence the product category of visit to the restaurant and health drinks. Likewise, the age of the child influences from where to purchase shoes as well as visit to the restaurant. The class which the child reads has an impact on influencing the place of purchase of colour. Other demographic variables seem to have an impact on the decision regarding the place of purchase of home appliances. In identifying the timing of purchase, a child's age and class influence the purchase of shoes. Age plays a vital role in case of decisions on health drinks. When it comes to decisions regarding where to go in case of restaurants, children's age and the number of siblings have an impact on their parents. No demographic factor seems to influence in the cases of decisions regarding the time of purchase of home appliances and colour.

In the selection of brands, the gender of the children seems to influence the purchase of health drinks. The age of children influences parents in identifying brands for shoes as well as home appliances. Similarly, the class in which the child is reading has an impact on the brand of the health drinks they want. But no demographic factor has an influence in purchase decisions on brands regarding restaurants and colour. Regarding the perception of children on decisions on the amount to be spent, the study indicates that only the number of siblings has an impact on influencing the amount to be spent on shoes. In fact, no other demographic factors show any impact on influencing parents in terms of how much to spend. This clearly indicates that parents exert a lot of power in deciding the amount to be spent and children have very little or no impact at all in this sub decision stage.

The expanding role of children in family decision making environment is a study with a lot of future marketing implications due to the triple market attractiveness as primary, secondary and future markets. They have become a separate unit for family decision making and have induced a dramatic shift in their title roles from mere product users to mighty product choosers. Children's market have become more vibrant, involved and well informed due to the unique and impressive roles they exhibit through their personalities and the contribution they make in consumer research.

Managerial Implications:

The marketing practitioner can use this study for identifying the role played by children in influencing the family purchase decision and formulate marketing strategies accordingly. This study will help the marketers to know how children at different ages understand, interpret, evaluate and select products and brands. In the context of decision making, the marketers have two choices in their promotional campaigns; they may directly depend on parents if the parents control the purchases of their children or directly to children who possibly dictate family choices in product/brand decisions.

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