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IMPROVEMENT ON MANAGEMENT METHODS OF INNOVATIVE DEVELOPMENT OVER THE INTERNATIONAL ROAD TRANSPORT

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ABSTRACT

This paper investigates the road transport , which allows you to organize high regularity of traffic and the safety of goods while reducing the delivery time of passengers. Moreover, it decreases the cost of transportation, has a high possibility of freight, effectively combined with all other modes of transport in the transport of a single technological process.

KEYWORDS: *motor transport enterprise, transportation, intelligent transportation systems, innovation, management of transport systems.*

INTRODUCTION

The solution of large-scale economic and social problems is closely connected with the development and efficiency of all modes of transport. A special role in the transport system belongs to road transport, which performs not only the direct transport of goods and passengers, but also serves as a link between manufacturing enterprises and other modes of transport. It has a significant impact on the efficiency of the entire transport system and the entire social production(Tumas & Ricci, 2009).

During the year 2015, the volume of transportation of goods by all modes of transport amounted to 1,534.0 million tons, or 105.1% by 2014. The largest share in the volume of cargo transportation is traditionally occupied by motor transport (91.2%). The share of railway transport is 4.4%, pipeline - 4.4%, air transport - 0.002% of the volume of freight(Raballand, Kunth, & Auty, 2005).

The predominance of road transport of goods is associated with a developed competitive environment in this industry, where there is no state monopoly, and also the availability of the necessary road infrastructure for road transport.

The volume of cargo turnover amounted to 88,868.7 million tons-km (103.7% against the indicator of 2014). The most significant share in the total volume of cargo turnover is accounted for by road transport - 38.2%, while the share of pipeline transport is 35.9%, railway - 25.8%, air transportation - 0.15% of freight turnover [2, p. 54].

Automobile transport allows you to organize high regularity of transportation and safety of goods, reduces the time of delivery of passengers, reduces the cost of transportation, has a large carrying capacity and effectively combines with all other modes of transport when transported through a single technological process (Table 1).

TABLE 1. Transportation of passengers and passenger turnover by mode of transport

	2010	2011	2012	2013	2014	2015
Transported passengers*mln. People*	6008.7	6377.1	6705.1	6989.2	7335.3	7598.2
Including transport:						
Railway	14.5	14.9	15.9	17.4	19.1	20.1
Automotive	5899.3	6280.2	6606.0	6895.1	7244.4	7511.4
City electric	93.0	79.9	80.7	74.3	69.5	64.5
Air	1.9	2.1	2.5	2.4	2.3	2.2
Passenger turnover,*bln. Passenger-km*	76.5	82.5	89.2	94.7	100.1	106.0
Including transport:						
Railway	2.9	3.0	3.4	3.7	3.8	3.8

Automotive	67.2	72.7	78.2	83.3	88.9	95.0
Urban electric	0.6	0.6	0.5	0.5	0.5	0.4
Air	5.8	6.2	7.0	7.2	7.0	6.8

Road transport is characterized by: high maneuverability and speed, without any alternative for transportation in interurban, intercity, suburban and international traffic.

Road transport in the Republic of Uzbekistan plays a very important role, only in 2015, road transport transported 1 398.5 million tons of cargo (105.4% to the indicator of 2014), of which
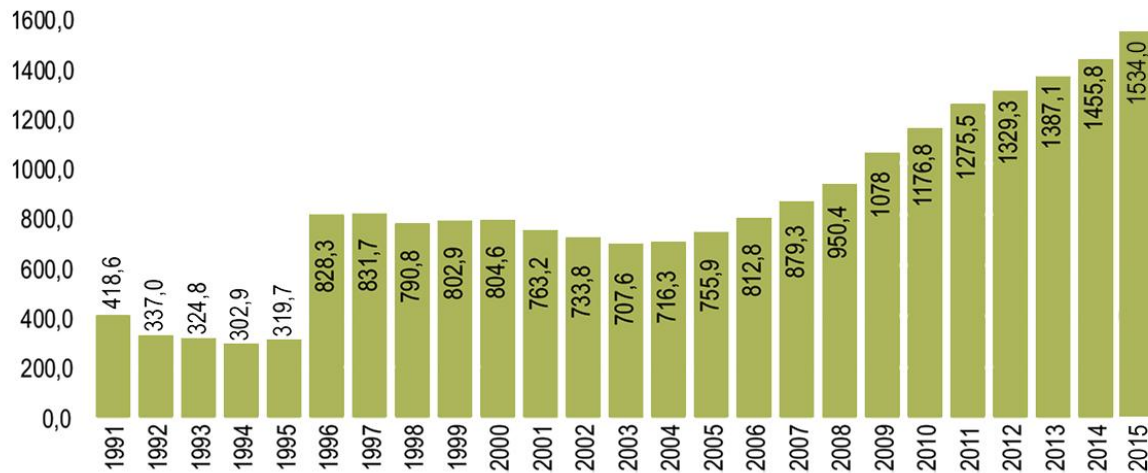
44.3 million tons of cargo (31.7 % To the total volume) - public transport, 955.2 million tons (68.3%) - transport of enterprises in the economic sectors. The freight turnover of road transport amounted to 33,934.2 million tons-km, or 107.9% to the indicator of 2014 (Figure 1), [2, p. 56].

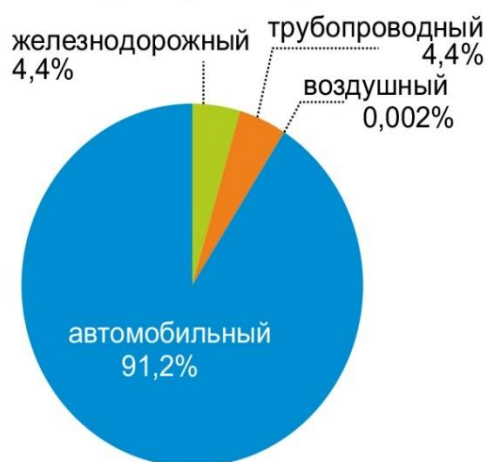**FIGURE 1 . Transportation of goods by all modes of transport, million tons**

Picture 2.
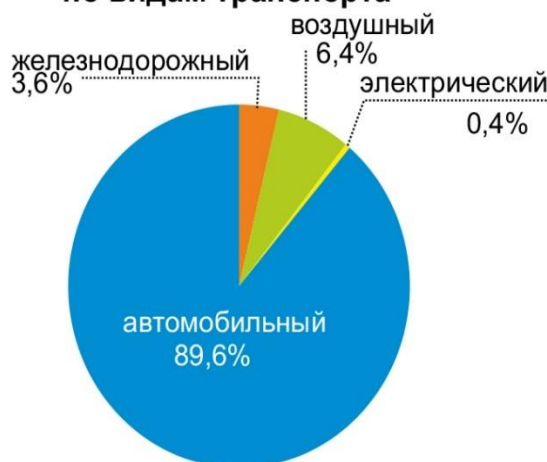The structure of cargo transportation by mode of transport

Picture 3.
Structure of passenger turnover by mode of transport

It is also necessary to take into account the fact that with an 8% GDP growth, the volume of road freight transportation is expected to increase by an average of 9.4% annually until 2030.Meeting the growing demand for trucking will require an increase in the fleet of trucks from 37 to 55 thousand units by 2020 and up to 120 thousand units by 2030.It is important to ensure and increase the efficiency of cargo transportation to improve the competitiveness of domestic products(Ahmedov et al., 2007; Akimov & Dollery, 2009).

The main feature of the current stage of development of motor transport is the need to implement investment projects for the implementation of promising innovative developments.This is due to the fact that not all investments are innovative, especially at the ATP.The investment process aimed at strengthening the material and technical base of the enterprise, rather than improving the technological processes of maintenance and repair, improving the organization and management of the transportation of passengers and cargoes, is often put on the first place here. Thus, innovative and investment activities in road transport should be carried out in a single cycle under a single management(Hornidge, Ul Hassan, & Mollinga, 2011). At present, the innovation factor is becoming a decisive condition for the sustainable development of Uzbekistan's transport.The problem is that, along with the need to increase the total amount of investments for the successful operation of transport, it is necessary to change the structure of investments: a significant share of investments should be directed specifically to financing innovative activities.

Qualitative perfection of manufacture on motor transport is carried out in the form of innovations which make a basis of innovative process in the conditions of the market of transport services.Innovation (innovation) in general is understood as the result of innovation activity,

embodied in the form of a new or improved product introduced on the market, a new or improved technological process used in practice, or a new approach to social services.

It should be emphasized that the nature and content of innovation activity largely depends on the state and peculiarities of the functioning of the financial market, in which sectoral segmentation is essentially absent.

Innovative activities at the ATP should be aimed at solving the following problems (Figure 4):

FIGURE 4. MODERN TASKS OF ROAD TRANSPORT

High efficiency of transport services implies, first of all, low costs for rolling stock operation, which allows the company to pursue an optimal price policy.Thus, innovative activities at the ATP should be aimed, first of all, at improving the organization of the transportation process and reducing the costs of rolling stock operation(Raballand et al., 2005).

The need for this activity is explained by the desire of each ATP to create competitive advantages that allow it to function successfully in the transport services market and make a profit. Competitiveness of transport services, thus, acts as a kind of engine of innovative activity. It makes it possible to satisfy the needs in it more effectively and more qualitatively in comparison with similar services presented in this market. The time factor is of great importance in this: the untimely and delayed decision to apply innovations can lead to undesirable results and even losses. Currently, there are a number of problems that stagnate in the development of innovative development of road transport enterprises in the Republic of Uzbekistan (Figure 5).
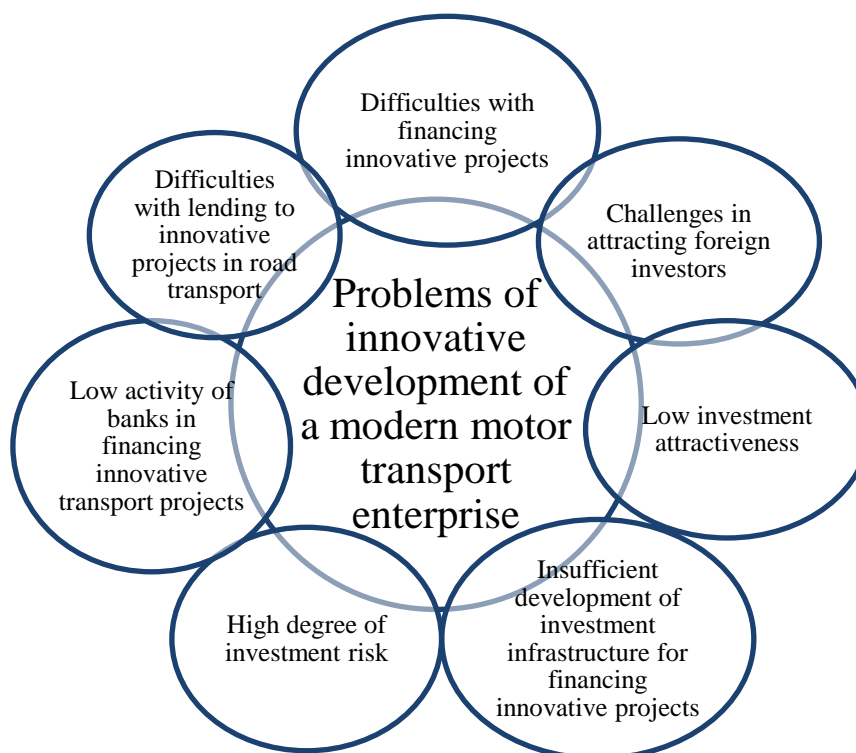
FIGURE 5. Modern problems of innovative development of a trucking enterprise

The increase in the efficiency of ATP activities achieved in the implementation of innovations is characterized by indicators of the use of fixed assets, working capital and capital investments, as well as generalizing indicators of the economic efficiency of production (labor productivity, profitability, economic effect, etc.).

In connection with the need to develop and implement an innovative strategy for transport in Uzbekistan, a number of problems arise that require urgent solutions (Figure 6):

Development of a program for allocating resources and their price level, which determines the level of prices for transportation services

Application of innovative ideas and marketing to ensure demand research and the formation of future needs for transport services and their quality

Increasing the competitiveness of domestic transport services on an international scale and in the national market

Develop a comprehensive program for the penetration and dissemination of innovations in road transport (developing broadly technical and technological modernization of service production)

FIGURE 6. Solving the problem of implementing an innovation strategy for road transport

The foreign practice of transport activity shows that for the rapid spread of innovations, the developed infrastructure of the industry is needed, the creation and modernization of which in most developed countries the state leaves under its control and uses as an instrument for regulating the transport sector and ensuring high rates of development of the national economy.The scale of the business influences the scope of innovation. Deep innovations can be afforded mainly b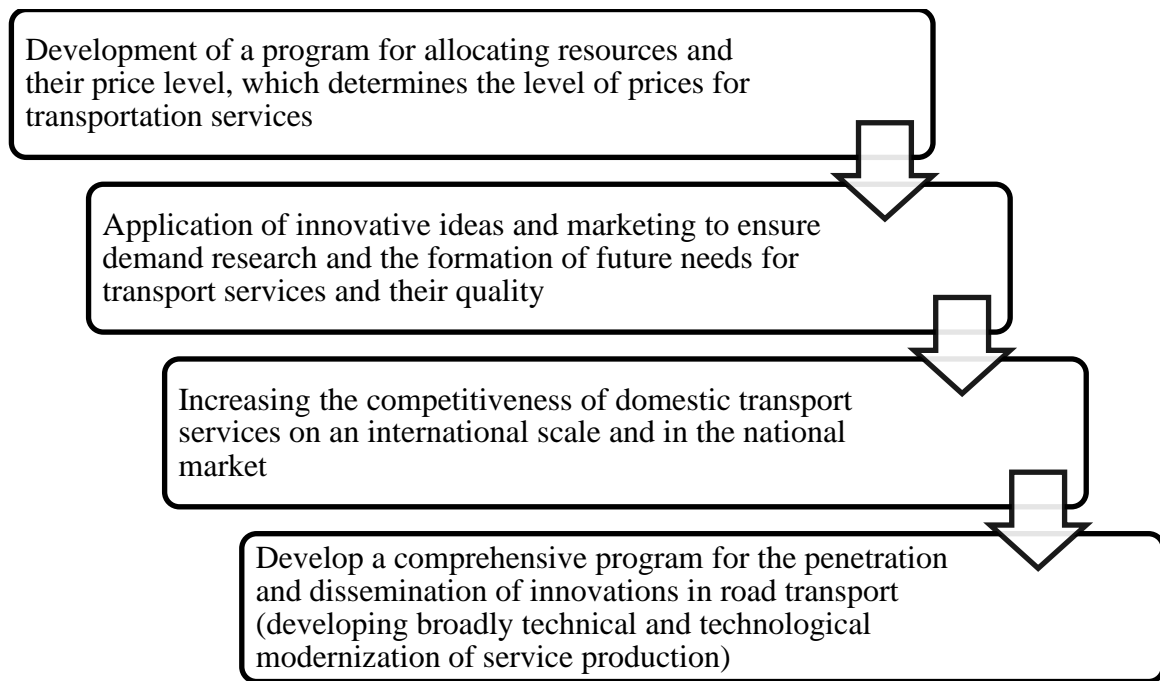y big business, since innovations are expensive and are realizable for quite a long period.For large transport business, such projects are beneficial and promote development. Low-power transport enterprises are forced to look for cheaper forms of business development that do not always meet the requirements of technological progress and laws.Innovation determines the need for legal protection of production and the development and implementation of technologies(Hornidge et al., 2011).

All these points point to the need to strengthen the role of the state in the field of innovation: on the one hand, it is necessary to centralize the NTP in the industry, to increase the role of the national policy in the field of science and industrial development; on the other hand, the same is encouraged by the strengthening of the international division of labor and market Competition(Corsi & Akhunov, 2000). As a result, the state is becoming one of the most important factors in the growth of the modern national economy and the economy of the transport industry, which leads to the strengthening of the positions of state monopolies in selected sub-sectors.An effective national innovation strategy will no longer be able to do without the centralized development of its areas (by types of activity and modes of transport) and without assistance, through which the state "helps" the industry in "critical" situations for them. The release of new resources, the creation of risk compensation funds and the provision of loans,

the promotion of information exchange and the solution of many other tasks require adequate state regulation in this area.In many countries, new methods of stimulating innovation are being tested, such as the organization of special trust funds to support small businesses and entrepreneurship. The organization of the promotion of innovations (state guarantees, lending and financing on concessional terms, bonuses for development, accelerated depreciation and special taxation of profits) that exist in Uzbekistan, but still have little impact on innovation(Ajwad et al., 2014). It is necessary in Uzbekistan to create industrial parks and various industrial high-tech clusters which allow to generate the economic environment, which will ensure the sustainable development of scientific, technological and industrial business, the creation of new small and medium-sized enterprises, the development of production and supply to the domestic and foreign markets competitive high-tech products .

The increase in the number of vehicles is one of the indicators of economic growth. In turn, a high level of motorization leads to an increase in the cost of infrastructure and the number of accidents, and for which the loss of GDP can reach 1.5% [5, p. 21].

To reduce the impact of negative factors and at the same time to improve the efficiency of the transport sector, it is necessary to introduce intelligent transport systems (ITS). The first steps in this direction have already been taken in Uzbekistan. However, the introduction of ITS will bring tangible benefits only if all measures are interconnected, that is, a comprehensive policy for the intellectualization of the transport sector will be formed and phased in step by step (Figure 7.).
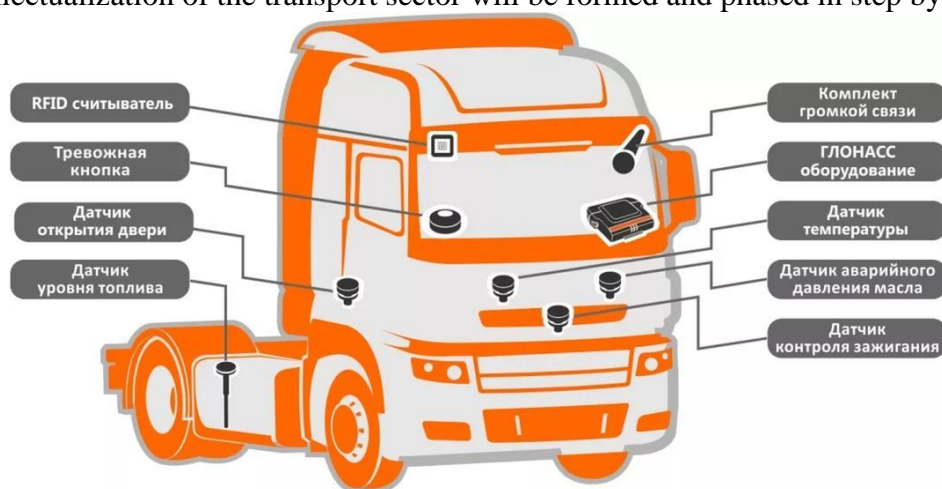
FIGURE 7. .: Implementation of satellite monitoring technologies for road transport

It is necessary to create motivation tools for the creation of intelligent transport systems. The economic motivation of the ITS is to reduce the material and non-material costs of auto mobilization. For example, due to congestion and congestion, fuel consumption in transport companies of the EU is almost 1.9 million tons per year or about 6% of annual consumption [5, p. 21].

Reducing the speed of cargo transportation by 20 km / h increases the cost of transportation by 1.5 times, and the cost of delaying a truck for 1 minute is at least $ 1 [6].The immediate cost of an accident in the world is estimated at more than $ 500 billion per year [7, p. 11].Uzbekistan also bears losses. Only in the city of Tashkent costs due to loss of time, fuel and profits as a result of congestion on the roads are about $ 133 million per year, and this is without taking into account environmental damage. These costs will increase as the car fleet increases, unless appropriate measures are taken [8, p. 5].The intelligent transport system (ITS) is designed to effectively manage traffic flows, increase the capacity of the road network, prevent traffic congestion, reduce delays in traffic, improve road safety, inform traffic participants about the evolving road and transport situation and options for an optimal route , Ensuring uninterrupted traffic.

In the world practice, ITS is recognized as a general transport ideology for integrating telematics achievements into all types of transport activities to solve economic and social problems - reducing accidents, improving the efficiency of public transport and cargo transportation, ensuring overall transport security, improving environmental performance, etc(Abdukarimov B.A,   2013).

1 • Traffic monitoring system

2 • Information system for road users

3 • Control system for technical means of regulation and organization of traffic

4 • TV viewing system, parking space management system

5 • The system of photo-video recording of violations of the Rules of the road

6 • Navigation and information support system based on GLONASS and GPS
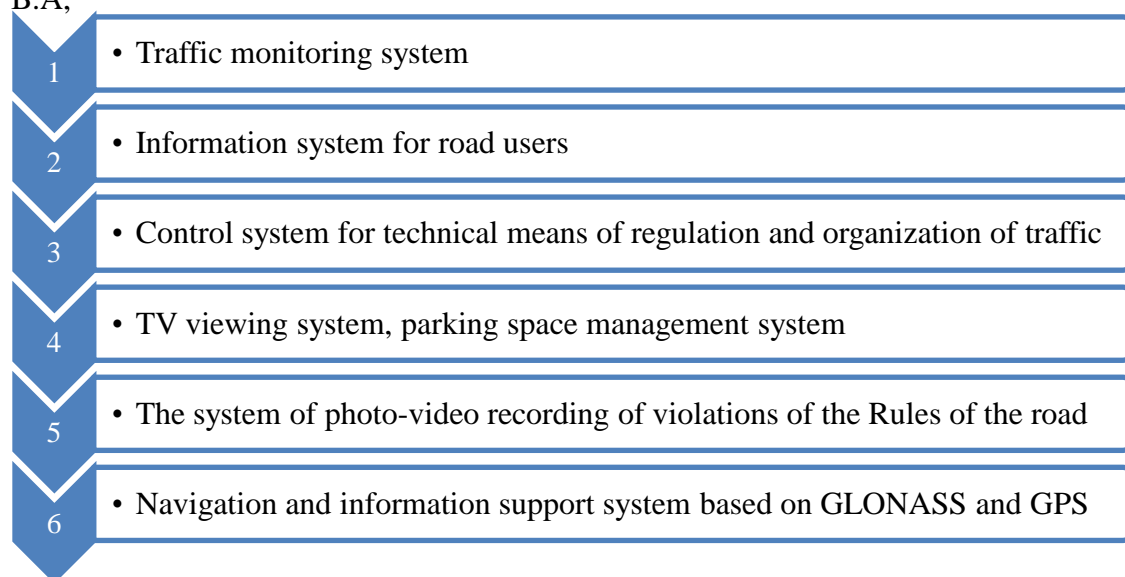
FIGURE 8. Composition of intelligent transport systems

The construction of ITS should be considered as the organization of the system form of interaction of all modes of transport, the most efficient use of transport resources through joint transport operations with the most rational variants of structural-flow schemes for the movement of passengers and freight flows, ensuring the quality of transport services.

The introduction of ITS in certain cases allows to achieve the following results:

-    growth of transport capacity - at least 25%;

- optimization of the use of public transport - by 50%;
- an increase in freight turnover by 50 - 100%;
- increase in passenger turnover by 20%;
- reduction of road accidents - up to 60% in certain areas.

As the world experience shows, governments are initiating the process of introducing intelligent transport systems. It is they who finance, at the first stage, the solution of this strategic task, which includes, among other things, research enabling the formation of a strategy for the introduction of intelligent transport systems(Calhoun, 2013).

Understanding that the effective implementation of ITS is possible only on the basis of combining the efforts of the state and the private sector has led to the idea of creating a number of non-profit organizations in this field. In 1991 almost simultaneously, the associations "ITS-Japan", "ITS-USA" "ITS-Europe" (ERTICO), which today became the main organizational structure providing implementation of ITS implementation programs, were created. Their main tasks include the development of various programs aimed at implementing innovative technologies in the field of road infrastructure development, using ITS elements to manage traffic flows, increasing mobility of the population and cargo, improving the quality of life of the population, improving road safety and reducing the harmful impact of vehicles on Environment (Figure 9).
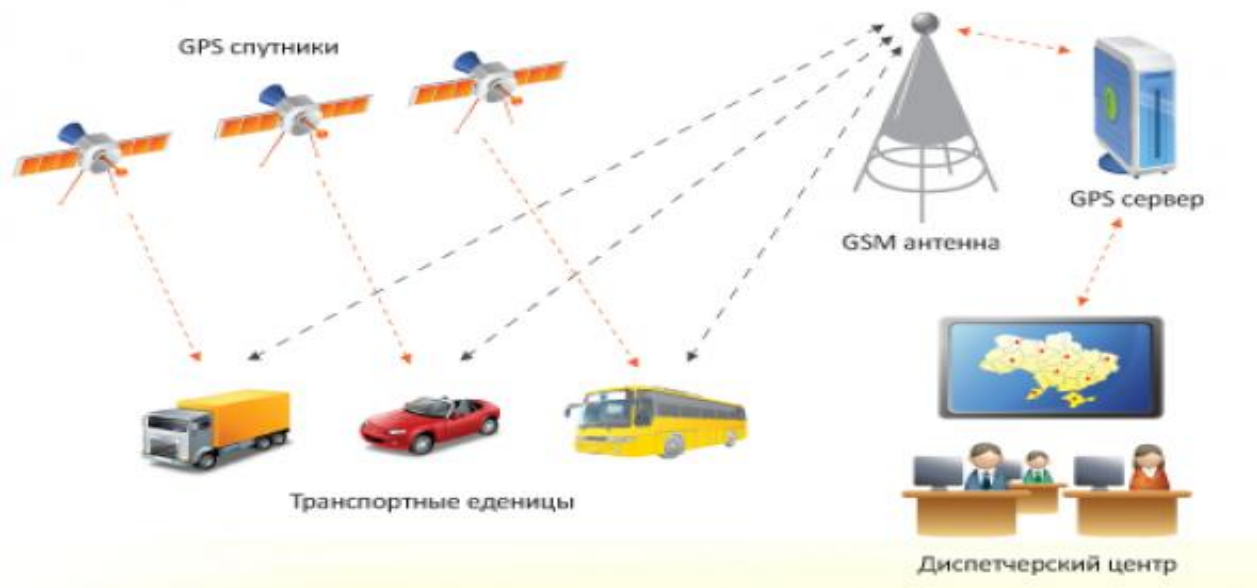
FIGURE 9. GPS monitoring system

The experience of introducing elements of ITS in Uzbekistan, in particular, was used in the example of AK "Toshshahartarhismat".The first project - an automated control and monitoring system in the passenger transport system of the city of Tashkent - is implemented in accordance with the Decree of the President of the Republic of Uzbekistan "On Measures for the Further Introduction of ICT in the Real Sector of the Economy" of April 3, 2014 (Figure 10) [1].

FIGURE 10. Urban transport monitoring system

The total amount of financing is 920 million soums. Sources of financing - own funds of JSC "Toshshahartranshizmat", as well as attraction of credit resources.

The second project - the computer system of road safety management in the city of Tashkent (introduced in 2013). The essence of the project is to create 160 automatic traffic systems at intersections, including a synchronously working around the clock mode, lights and video cameras. Surveillance cameras will record speeding, running a red light, travel along the line of route vehicles, wrong parking (Fig. 11).

FIGURE 11. Intelligent transport system and road safety

According to AK "Toshshahartranshizmat" and GUBDD Tashkent ITS system will first be implemented in the city of Tashkent, Samarkand and then to continue in all regions of the republic. Cost of the project for the city of Tashkent is - about 30 million dollars (77.9 billion soums). Proceeding from the above mentioned, we offer a road map for the development of the Republic of Uzbekistan of the transport system (Fig. 12).

Figure 12. Roadmap development for improving the transport system management

1 •The transition to intelligent information systems and the introduction of systems in the transport infrastructure

2 •Training of specialists in the field of ITS, improvement of methods of planning and forecasting

3 •Implementation of ITS for accounting flows by the International Transport Corridors of the Republic of Uzbekistan

4 •Coordination of transport flows

At present, various organizations on its own initiative, work is underway on the creation of a number of information systems, with ITS functionality. However, a common strategic concept of creation and development of the unified information environment of the transport complex is not developed.

At the present time, it is possible to achieve a significant increase in the efficiency of the management of the transport process, acting only on its separate links (operational, technical, economic, etc.), but for their entirety, on the system as a whole. Improvement of managerial work on road transport should begin with the economic analysis of individual elements of management, study of ways of interaction between elements and linking them into a single whole.

The main areas for improving the management of transport should be:

- improvement of existing and development of new regulatory and legal acts on the organization of urban passenger traffic;

- Specialization of carriers;

- stimulation of the distribution on transport of effective control and dispatching systems based on modern information technologies, including both the means of operational transportation management, and the means of obtaining objective information and regulation of the transport services market;

- Unification of the organizational structure of the carrier's operational service and the transport management system;

- Centralization of the system of transport operation;

- Automation of the transport management system;

- Coordination of work of all modes of transport;

- Implementation of modern competitive mechanisms for access control, technology of organization and control of the activities of carriers of all forms of ownership on the route network on a contract basis.

Management of international cargo transportation processes consists in the adoption and implementation of a set of technical, technological, economic, organizational and other solutions(Gürgen, 1999).

Proceeding from the foregoing, it can be concluded that transport enterprises that carry out international transport of goods must perform the following functions in their entirety:

- Development planning and development of criteria for optimization of the process of cargo transportation;

- Coordination and regulation of the work of road transport, which carries out the transport of goods, regardless of the form of ownership;

- Development of the regulatory and legal framework for the transport of goods, as well as the provision of the transportation process;

- providing functional feedback to consumers of transport services, including information support for customers and customers in real time mode;

- development and participation in investment programs for the acquisition of a new rolling stock, the development of the production and technical base of the transport complex, the material and resource support of the transport industry;

- Gradual introduction of ubiquitous licensing and certification of all types of transportation and services, including transport and forwarding activities;

- centralized dispatching control of public transport with the use of electronic systems in real time mode and the introduction of scientifically based methods of control;

- the formation of a rational system of transportation, which provides for the reduction of transport costs and budget expenditures for the maintenance of road transport, the development and implementation of measures aimed at reducing non-production costs and the use of resource-saving technologies;

- Increase the regularity and accuracy of the arrival of road transport using the JIT (just-in-time) system(Akmal, 2016; Corsi & Akhunov, 2000; Juraev, n.d.).

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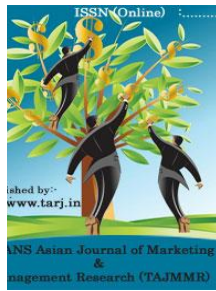
WOMEN STREET VENDORS: SOME FIELD REALITIES FROM WEST SIANG DISTRICT OF ARUNACHAL PRADESH

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ABSTRACT

Street vending is one of the important economic activities carried on by women of West Siang District. It has been a catalyst of socio-economic development. It provides employment, empowerment and emancipation to women of the study areas. It provides employment to the maximum number of women who falls under 45-55 either on regular or part-time basis. However, 35 percent of women street vendors of the West Siang District are illiterate. So, it is implied that there is higher participation of older and illiterate women in street vending activities. Most of them have been working for 6 to 8 hours in a day earning between Rs 7001 to 9000 per month. It is pertinent to note that 70 percent of street women vendors have started their

business with their own capital than being financed by financial institutions. Fascinatingly, they deal mostly with variety of green vegetables which are being purchased from nearby villagers of the study districts. Thus, the women street vendors have been providing livelihoods to many of villagers. With this background, the paper makes an attempt to study accessibility of women street vendors to institutional finance in West Siang District. Also it endeavors to examine working hours and monthly average gross income of women vendors.

KEYWORDS: *Arunachal Pradesh; Street Vendor; West Siang District and Women*

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INTRODUCTION

ORIGIN OF RESEARCH PROBLEM

A person who offers goods or services for sale to the public without having a permanently built structure is called as '*Street Vendor*'. They sell their products in a temporary static structure or mobile stall often head loaded. They operate business moving from one place to another place carrying their wares on push carts or on cycles or baskets on their heads, or could sell their wares in moving buses. For the purpose of this study, street vending is defined as traders of any type of goods and services, which may include: fruits and vegetables, Garments, Handcrafts, Forest products on the streets, highways, sidewalks etc. Street vendors essentially transform streets into arenas for various economic activities for a living (Wang, 1998). Conceptually, street vendors are one of the important components of the urban economy. This component is integrally related to the informal economy. Street vendors occupy a significant proportion of the total employment in urban economy. The informal sector constitutes economic activities involving the production and distribution of goods and services that are not registered and regulated by the state or local government.

As women are the home-makers and have to fulfill the customary duty of feeding their families, their day starts early in the morning with household work and is then followed by their struggle to earn a livelihood. Women who were the most dormant segment of India population have now become active participants in all walks of life. Now women are becoming not only a significant unit of the society but also influencing the course of social change in society. Women are important element of our society. The modern society has started recognizing the individual identity of women. She is believed to have her aspiration, abilities and qualities as a man does have and it is also agreed that she should have the opportunities to develop her faculties and to express them according to her own choice. Women can help the society in various ways. They can engage in social activities and work for the betterment of the society and economy.

Women of Arunachal Pradesh are seemingly less developed in comparison to other states. Despite giving their best the women vendors of the state are facing lots of problems due to lack of support from financial institution, illiteracy, lack of adequate production and marketing knowledge, lack of available decent space etc. Moreover there are so many social and economic obligations which women need to handle simultaneously. Therefore to understand those problems it is very important to analyze and act upon those issues which directly or indirectly affect their activity. Women in West Siang district of Arunachal Pradesh are doing tremendous

job, they are coming out of the houses and starting generating income for their family which directly or indirectly affects economy through this occupation. Street vendors play very important role in urban areas of West Siang district. It provides both employment and income to women of the district. In the district, street vendors prop up rich urban populace to provide daily requirements at their doorsteps as some of them have establish their outlets in front of housing complexes.

This study would serve as guide to the policy makers and NGOs. It would also motivate the government to organized training programs for creating awareness on marketing of products, sources of finance etc to the women street vendors. The basic research questions of the paper are- what are the prominent products sold by women street vendors of West Siang District? What is the level of their accessibility to institutional finance? How much they earn in a month? How much they work in a day? Thus, the study makes attempts to seek answers to these research questions.
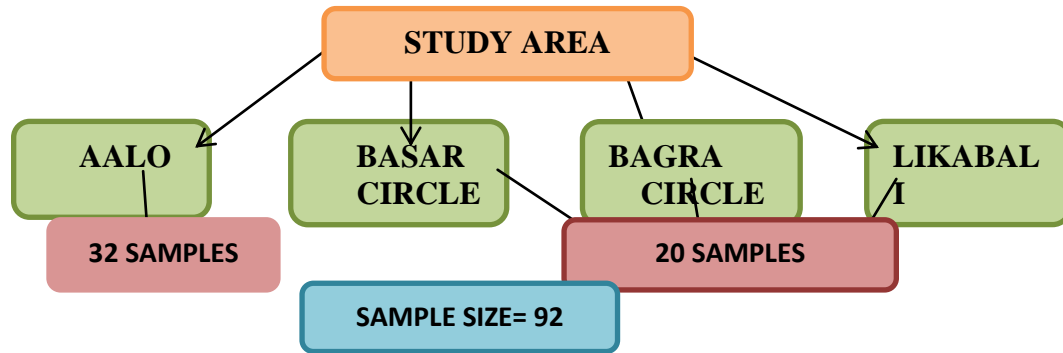
OBJECTIVES
The present study endeavors to:-
1. Identify top ten commodities sold by women vendors of West Siang District.
2. Study accessibility of women vendors to Institutional Finance.
3. Examine working hours and Monthly Average Gross Income of women vendors.

RESEARCH METHODOLOGY

- **Research Method and Tools:** The study is based on Field Survey. Again, personal interview, internet and social networking sites, telephonic contacts and observation method have been used during the field survey. Structured schedules, digital camera, telephone, and other stationeries have been used as research tools to collect field data.
- **Sources of Data:** For the present study, data are based on both primary and secondary sources. To collect primary data, personal interview, telephonic survey, schedules, informal discussion, observation etc have been used. Whereas, magazines, newspapers, journals, thesis, dissertations and other unpublished information etc are some of the secondary data being used for the study. Beside, internet is extensively used while collecting secondary information.
- **Sampling Technique and Size:** For the purposes of the present study, Stratified Sampling under Probability sampling technique has been used. The study is carried out in four places namely- *Aalo, Bagra, Basar* and *Likabali* on the basis of the volume of street vendors. 32 respondents from Aalo and 20 respondents each from rest of three circles i.e Bagra, Basar and Likabali have been selected for the study. Altogether, total sample of the study is 92 which represent the characteristics of population parameter. Also, the study dealt with all types of vendors, those selling handicrafts, vegetables, garments, forest products etc.

SAMPLE DESIGN

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                          │  STUDY AREA  │
                          └──────────────┘
          ┌──────────┐  ┌──────────┐  ┌──────────┐  ┌──────────┐
          │   AALO   │  │  BASAR   │  │  BAGRA   │  │ LIKABAL  │
          │          │  │  CIRCLE  │  │  CIRCLE  │  │    I     │
          └──────────┘  └──────────┘  └──────────┘  └──────────┘
          ┌───────────────┐           ┌───────────────┐
          │  32 SAMPLES   │           │  20 SAMPLES   │
          └───────────────┘           └───────────────┘
                  ┌──────────────────┐
                  │ SAMPLE SIZE= 92  │
                  └──────────────────┘
```

- **Universe of Study:** The study is carried out in four circles of West Siang district of Arunachal Pradesh namely- *Aalo, Bagra, Basar* and *Likabali* (henceforth, called as Study Area) respectively. In addition, the reference period of the study is 2014-15 which extend over one year of time period.
- **Tool of Data Analysis:** For analysis of data, table, bar chart, frequency distributions, pie chart etc have been used. Moreover, statistical packages like MS Excel and SPSS have been used to analyze field data.

ANALYSIS AND INTERPRETATION OF DATA

A. AGE PROFILE OF WOMEN STREET VENDORS IN STUDY AREA

The age profile of the vendors in the survey is described in the Table No 1. It is observed from the table that the maximum number of women vendors is in age group of 45-55. A major portion of the women vendors i.e. 38 per cent of the total sample under present study belongs to the age group 45-55 years. Second place is occupied by the age group of 35-45 which constitutes 31 percent. However, it is evident from the table 1 and figure 1 that only 3 percent and 8 percent of women vendors represent the age group of 15-25 and above 55 respectively. By age group, 45-55 years of age is found as most active and dominant in the sphere of women street vendor in the study area.

Table 1: Age Distribution of Women Street Vendors in the Study Area

| Age Distribution	Frequency	Percentage
15-25	3	3
25-35	18	20
35-45	29	31
45-55	35	38
Above 55	7	8
Total	92	100

Source: *Field Study, 2016*

FIGURE 1
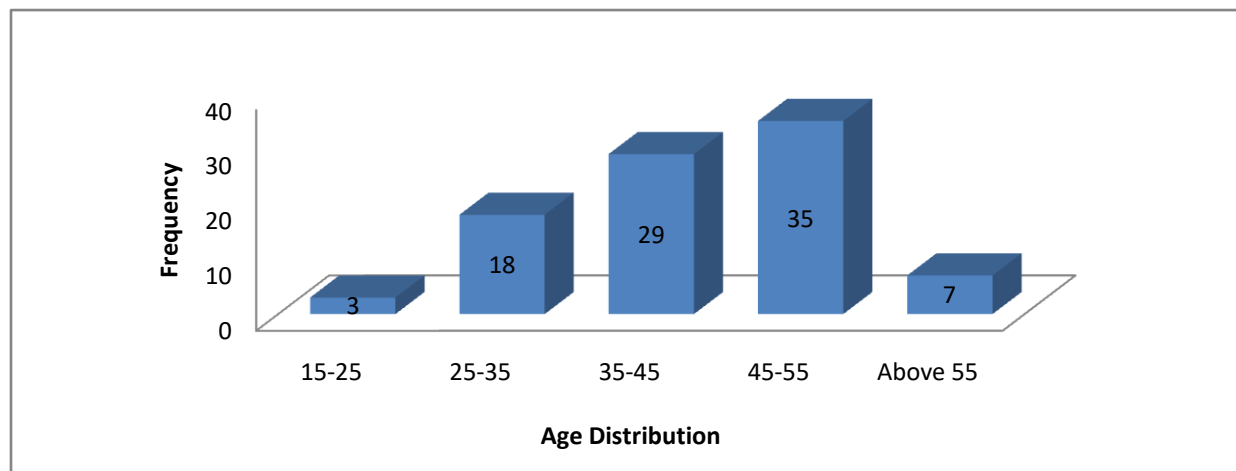
B. EDUCATION PROFILE OF WOMEN VENDORS IN STUDY AREA

The educational level among street vendors is generally low as indicated in Table 2. It is evident from Table 2 and Figure 2, 35 per cent of women vendors are illiterate. 22 per cent of the sample can only sign their names. 33 per cent has acquired only primary level education. 7 percent of the sample respondents have acquired secondary level education. However, 3 percent of the women street vendors have acquired High School Education. It is observed that women street vending business has attracted the disadvantaged segment of society who has limited skills, low education and capital. Most of them are from rural areas. They are found to have chosen this profession because it is easiest means of earning a living which requires little finance and less education as compared to other occupations. They are mostly found to have chosen this profession in order to support their families. Unfortunately, some of them are found to be the only bread earners of their families.

Table 2: Educational Profile of Women Street Vendors in the Study Area

Category	Frequency	Percentage
Illiterate	32	35
Can sign their name only	20	22
Primary Education	30	33
Secondary Level	7	7
Hr. Sec Level	3	3
Total	**92**	**100**

Source: *Field Study, 2016*

FIGURE 2
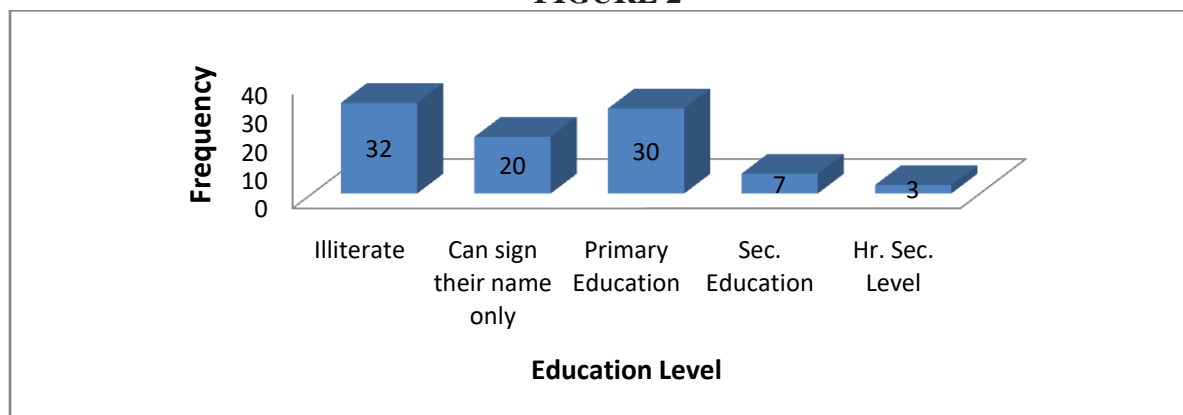
Unfortunately, none of a graduated women street vendor is found during the survey. There were various factors responsible for poor educational background of women vendors. Low level of family income was one of the most important reasons for poor education. Most of the women street vendors are old aged and from rural area. During their time, education was not given due importance. Another reason for poor education was that their parents were dead when they were young. Due to lack of education, women street vendors of the study area have to rely on friends, relatives and family for some paper works pertaining to their business. Lack of education has become one of the major constraints for the development of their business. Because of lack of education they fail to understand the different schemes and development programs meant for their promotion. Moreover, they have less managerial skills. They are unaware of training programs which are being frequently conducted by the government regarding marketing, packaging, standardization of product, scientific farming in field of horticulture and any other alternate means of livelihood like- embroidery, tailoring, craft making, weaving, catering etc.

C. MONTHLY AVERAGE GROSS INCOME OF WOMEN STREET VENDORS

The income of street vendors depends on the products they sell. It varies from product to product, from location to location, and also in terms of the volume of the business. It is clear from Table 3 and Figure 3 that income of women street vendors selling garments, fruits, and meat are higher than those selling vegetables and other products. Most of the women vendors are found to be dealing with vegetables as it requires a very low investment and low skill as compared to other activities. Their incomes are calculated on average basis since most women vendors lack written records of income and expenditure.
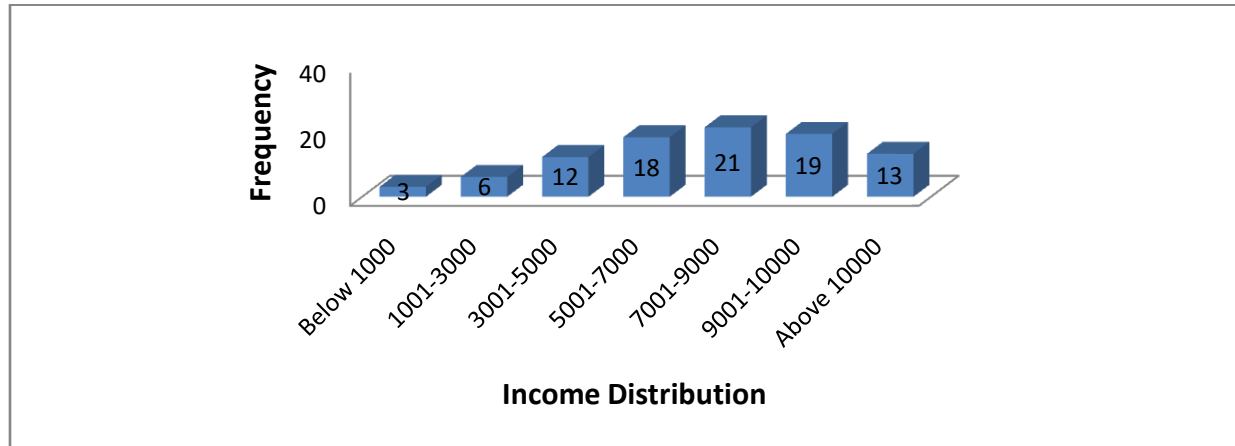
TABLE 3: Gross Average Incomes of Women Street Vendors

Income category (in Rs)	Frequency	Percentage
Below 1000	3	3
1001-3000	6	6
3001-5000	12	13

5001-7000	18	20
7001-9000	21	23
9001-10000	19	21
Above 10000	**13**	**14**

Source: *Field Study, 2016*

FIGURE 3

It is evident from Figure 3 and Table 3 that only 3 percent vendors have average monthly income below 1000. In contrast, 23 percent of the women street vendors have average monthly income category of 7001-9000. It is seen that 14 percent of women street vendors have high income i.e. above 10000 per month. It is saddened to observe that the earning of women usually goes directly for the management of their family. Also, many men folks spent their earning in gambling, drinking and smoking etc. The women vendors sustain their families with their hard labor. Still today, the contribution of women to family's economy is mostly kept indivisible. These simple women are helping a lot in the sustenance of their families' lives.

D. SOURCES OF FINANCE

The source of the capital plays an important role with regard to the financial accessibility by street vendors. It depends on the types of suppliers and the volumes of their trade. Access to capital is an economic linkage that ties street trade to the economy which affects the vendors' economic activities, profits, and potential business growth. Capital is needed for initiating the business and later for running and expanding it. Sources of capital for women vendors in the study have been categorized under five heads for the present study namely- (i) Own capital (ii) Family & Relatives (iii) Formal Financial Institutions (iv) and Other Source like- local money lenders or SHGs etc.

TABLE 4: SOURCES OF FINANCE

Sources of Finance	Frequency	Percentage
Own Capital	65	70
Family and Relatives	8	9
Formal Financial Institutions	11	12
Local money lender	8	9

Source: *Field Study, 2016*

FIGURE 4
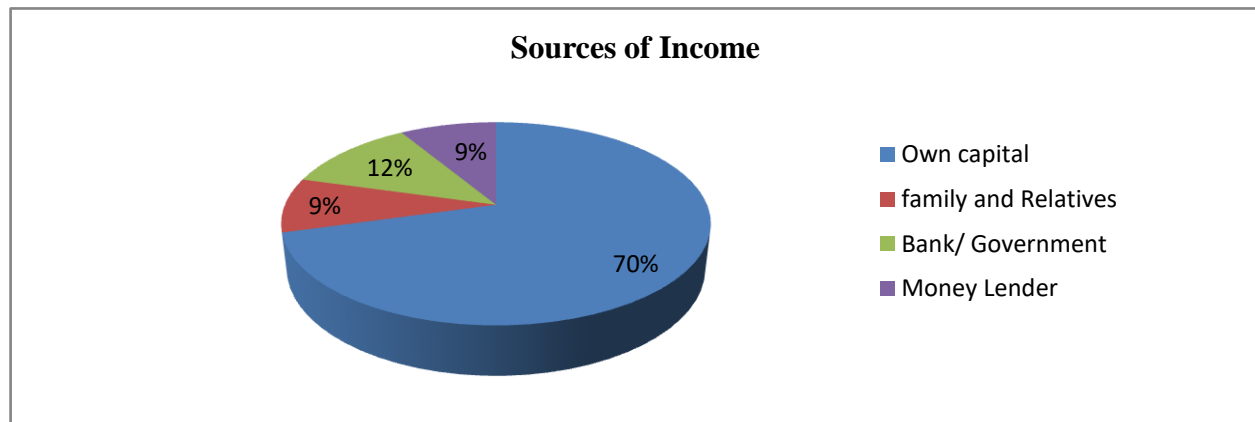
It is unveil from Table 4 and Diagram 4 that 70 percent of street women vendors have started their business with their own capital while 12 percent of street women vendors have used Formal Financial Institutions. While 9 percent each of the respondents are found to have taken finance from Family & Relatives and Local Money lender respectively. Some of them preferred to borrow from family and relatives because they basically do not charge any interest and even if they do, the interest rate is very marginal. Moreover, relatives and friend don't ask for any securities or paper work formalities for lending unlike banks and moneylenders.

It is revealed from the Table 4 and Diagram 4 that in the study area most of the women have started street vending activities with their own capital or from family as most of them are less literate and don't have much idea about the financial facilities provided by the financial institution and government. Owing to less literacy, they are not familiar with all the formalities as asked to do by bank. However, there are some women vendors who are very smart. They could make access to financial institutions.

E. DURATION OF WORKS

To understand the working life of women street vendors, it is important to understand the work duration of women vendors because a woman has to play dual role, she has to manage both business and household. The women vendors sustain their families with their hard labor. Still today, the contribution of women to family's economy is mostly kept invisible.
Duration of work of women street vendors in study area depend on the trade volume and its location. There are different types of vendors, some women vendors who carry out vending on a regular basis with a specific location. While some comes only during the morning or evening

hours just for 3-4 hours. Further, some vendors who carry vending not in regular basis and without any specific location for example, vendors who sell goods in weekly bazaars or holidays or during festivals only.

TABLE 5: DURATION OF WOMEN STREET VENDOR

Working hours per day	Frequency	Percentage
Below 02	00	00
02-04	04	4
04-06	26	28
06-08	43	47
08-10	14	15
Above 10	5	6

Source: *Field Study, 2016*

FIGURE 5
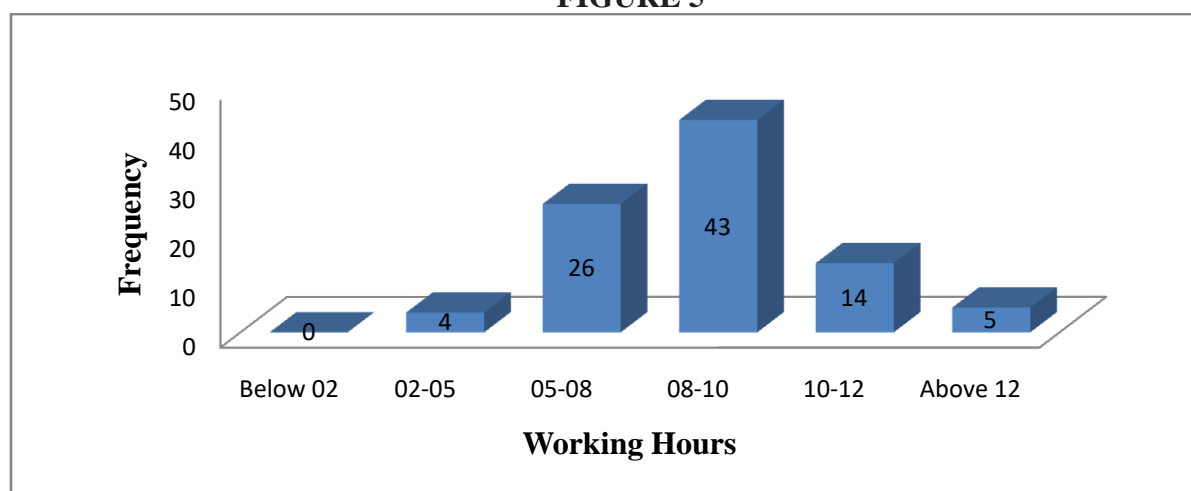
It is evident from Table 5 and Diagram 5 that 47 percent of the women vendors work for 6 to 8 hours in a day. Likewise, 28 percent of women vendors are found to have been working between 4 to 6 hours in a day. However, none of a women vendor is found to have worked less than 2 hours in a day. For most of the women street vendors, working hours depend on their volume of stocks. They don't have any particular schedule for vending. Every day, most of them spend two hours in visiting the wholesalers. Later on, engage in sorting and cleaning the vegetables. In West Siang a "*Paikari*" term is used for wholesalers, most of the women Paikari are the grower of vegetables. Women vendors are reported to have procured goods even from nearby states like Assam, Nagaland etc.

F. TOP TEN COMPOSITION OF COMMODITIES SOLD

Tribal women vendors engaged in selling variety of goods. It ranges from green vegetables to dried meats. Women street vendors of the study area are found to have sold gingers, sugarcane, potatoes, yam, green vegetables, orange, banana, pineapple.

They are also revealed to have sold products like bamboo shoot, brooms, fermented soya bean, *Ekkam* (wild leaves), locally made yeast for making rice beer, wild mushrooms and cooked foods so on.

TABLE 6: Top Ten Commodities Sold by Women Street Vendors in the Study Area

SI No.	Name of commodities
01	Green vegetables
02	Meat
03	Fruits
04	Rice
05	Forest Products (leaves, Firewood, yams, wild Mushrooms, brooms etc)
06	Handlooms and Handicrafts
07	Garments
08	Local rice beer
09	Yeast
10	Bamboo

Source: *Field Study, 2016*

It is observed from Table 6 that most of the women street vendors of the study area sell green vegetable. Meat has occupied the second place. Likewise, fruits, rice, forest products, handloom & handicrafts, garments, local rice beer, yeast and bamboo occupied the third, fourth, fifth, sixth, seventh, eighth, ninth and tenth positions respectively.
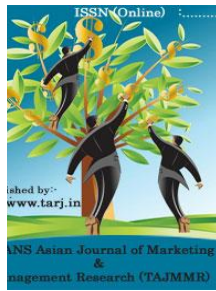
Interestingly, most of the products are purchased from villagers by the women street vendors of the study area. This has been encouraging villagers to cultivate more and more products. So, the women street vendors are providing livelihoods to thousands of villagers in the study area.

CONCLUDING REMARKS

Women street vendors of West Siang District have been a catalyst of socio-economic development. It provides employment, empowerment and emancipation to women of the study district. It provides employment to the maximum number of women who does fall under 45-55 either on regular or part-time basis. However, 35 percent of women street vendors of the West Siang District are illiterate. So, it is implied that there is higher participation of older and illiterate women in street vending activities. Most of them have been working for 6 to 8 hours in a day earning between Rs 7001 to 9000 per month. It is pertinent to note that 70 percent of street women vendors have started their business with their own capital than being financed by financial institution. Fascinatingly, they deal mostly with variety of green vegetables which are being purchased from nearby villagers of the study districts. Thus, the women street vendors have been providing livelihoods to thousands of villagers.

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AN ANALYSIS ON BUYING BEHAVIOUR OF PURCHASING RESIDENTIAL HOUSES IN NORTHERN PROVINCE, SRI LANKA

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ABSTRACT

This research work addresses determinants of housing consumer behavior. In order to study the consumer behavior of buying residential houses, the researchers conducted such topic from the consumers' perspectives in Northern Province of Sri Lanka. Further, it is expected, especially, to identify the determinants of the consumer behavior, to rate them in terms of importance, and to compare the relative importance of the determinants among different market segments. There are three main objectives of this study. First, to study the external influences, namely culture, government policies, technological and marketing activities on consumer behavior on purchasing Residential houses. Second, to study how internal influences such as personal, psychological, social, self concept and Lifestyle influence commercial house buyers. Finally, to understand the decision making process of buyers of commercial houses. The researcher designed convenience sampling method to design questionnaires to study 261 houses buyers in urban areas of the Northern Province of Sri Lanka. Multiple regression analysis was used in testing the hypotheses. According to the analysis, all the independent variables are simultaneously significant to the dependent variable which is the consumer houses-buying behavior. Though, all the eleven variables just can explain 35.9% of the variations under consumer house-buying behavior with an R square value of 0.359. This study found that respondents would significantly adopt the main constructs when buying residential houses.

KEYWORDS: *Buying Behavior, Commercial Housing, , Consumer Decision -Making Process.*

1. INTRODUCTION

Buying a house is one of the most significant economic decisions that people make, and it requires gathering a lot of information regarding its features (Hua Kiefer, 2007).Since housing, as a real estate product, plays a vital role in any economy, studies on housing is virtually important. In Sri Lanka, real estate is a booming industry in which research and development have been improved to a certain extent. Meanwhile the subject of marketing management is also being recognized as an important area for every economic activity. However, it is able to see only a few scientific studies on marketing aspects in real estate businesses in Sri Lankan context. Hence, this study attempts to fill the knowledge gap in the housing market relating to the buying behavior.

Statement of the problem: This study tried to answer the following questions; what are the factors that influence buying behavior of people towards residential houses in Northern Province?

Objective of the study: The main objective of this research is to investigate the main factors such as external factors, marketing factors and internal factors that influence the customers' buying behavior which leads to the purchasing decision.

In this context, this study aims to fill the knowledge gap of those who are engaged in housing market activities such as developers, investors, buyers, sellers and scholars etc.

2. LITERATURE REVIEW

The marketing of a real estate product like house is a more complicated process than that is involved in most other section of the economy (Weimer, 1960). In fact, the real estate market can be defined as a place where real estate marketing decisions i.e. decision of buying or selling at which price, at what terms, at what time etc by interaction of property owners and prospective owners are taken place. In fact, such marketing decisions are based on income producing in money term or direct use of the property.

According to Hawking *et. al.(*1995), In order to achieve the success of a firm, it needs to provide to target markets with more value than what competitors provide. Therefore, to achieve the goal, it must have a crystal clear knowledge of consumer's needs, wants, desires, and expectations etc. Kotler (1991) defined, to identify such aspects; it is needed to comprehend the consumer behavior thoroughly. Marketing manager and all find the solution for this question normally through marketing strategy. The marketing strategy is basically formulated in terms of so-called marketing mix i.e. product, place, price, and promotion (4Ps). In fact, this is a combination of elements that meets the consumer's needs in providing certain values. Therefore, it can be pointed out that the consumer should be the focal point of marketing strategies. According to Morden (1991), The consumer behavior refers to as simply the purchasing decision of a particular product or a service. Purchasing decision is, in fact, a highly complex one, subject to wide variety of inter-related economic and behavioral influences. Consumers' internal elements as desires, expectations, attitudes etc are highly subjective. On the basis of this internal situation, he/she learns and obtains experience from the external environment. Then having reformed the initial base, he/she tries to perceive on elements of the environment again. Ultimately the consumer behavior is determined by his internal characteristics in collaboration with the external

characteristics of the macro environment. Accordingly, a firm is required to collect ample information to study the consumer behavior. A house, as a real estate product manifests very distinct characteristics and it influences heavily on each and every aspect of human beings. Hence, it can be argued that there is a type of complex buying behavior in the housing market. According to marketing analysis, consumer durables can be put into the category of complex buying behavior that associates high involvements and significant brand difference among products (Kotler, 1991). In many writings, color television sets automobiles etc; have been taken as examples of consumer durables. A house can also be identified as a consumer durable though it contains some distinct features. Consumer behavior models such as Types of Buying Behavior, Buyer Behavior Model, Consumer buying decision process and Overall model of the consumer behavior reveal that the consumer behavior is complicated and thereby recognizing of determinants is difficult. However, these models help to identify consumer's outside and inside stimuli in buying decision in general. To the outside of the buyer, marketing mix i.e. product, price, place, promotion and environment factors as economic, technological, political, cultural etc; influence to the consumer behavior widely. Meanwhile factors internal to the consumer as cultural, personal, social, psychological etc; shape and form the buying behavior as well (William, 1978). (Hawkin, *et. al*., 1995), All these could be classified broadly as product-related characteristics, personal characteristics and the situational characteristics in the event of formulating marketing strategy. Harry (1976) identified, From product to product it is different in several aspects. For example, in contrast to non-durables, purchase of durable goods are often proceeded by a progression of interacted decisions and activities through time, husband, wife, and even children are getting more opportunities to involve in buying decision at one or more instances

Weimer (1960) said, a buyer's point of view the demand for a house as a real estate product (a land and a building) is based on a wide range of considerations such as the standards, attitude and objectives of individuals, family, business firms, government officials and others. In the case of commercial and industrial properties, however, demand is a reflection of profit earning capacity of related firms. Firms demand more real property when the market for their product is higher. Similarly, the demand for residential real estate is largely a reflection of consumer's income. The principal demand factors are the trends of employment and incomes of the potential customer group and the terms and availability of finance etc. According to Sumanasekare (1996), house presents as a symbol of status/ achievement or social acceptance and stimulates capital investment of the people. Therefore, one who wants to buy a house goes through a very intensive search of information so that he/she can verify and buy the correct thing. The consumer's buying behavior manifests both rational and emotional behaviors (Vipula, 1995). Since a house is a culture specific superlative consumer durable and it influences each and every aspect of a person, who is very keen on factors such as the price, physical condition (quality), design and location, infrastructure facilities, and legal conditions etc; in purchasing a house. Zainuddin, *et al* (2006) has pointed out six major factors for customer attraction for housing estates as location, design, price, supplier's reputation, quality of product, and services. The other important factor is that buyers find different benefits from a house in a particular time in a suitable space. Hence, a marketer or a manager should first think of the function, time, and required space expected by the customer in formulating housing market decisions (Apgar, 1995). Here, the function implies

the benefits expected by the consumer. Time means when it is used. Space is simply the size. According to Nanayakkara *et al* (2006), The location of the house is a very important factor for the information of the residential property purchaser. The most significant factor for a customer to select an apartment is the location. Other important factors are facilities, design of the property, regular maintenance and regular supply of services such as water, electricity and proper solid waste management system in connection with apartment housing. Infrastructure facilities, accessibility, healthy environment etc. are centered and interconnected with the location and such variables are highly concerned in purchasing a house. (Ratnayake, 1991) In Sri Lanka, however, private sector houses provide such facilities inadequately. In the case of accessibility the demand behavior of consumers who commute regularly to the Central Business District (CBD) selecting housing and non-housing consumption and residential location subject to a monetary budget constrains capturing the infra-urban area travel (Turabull, 1992). In addition, healthy and habitable environment also depends on the location of the residence. The rich and the middle class people abandon the city limits leaving the poor in the over crowed city areas searching more comfortable survival, as city becomes congested (Saunders, 1990). The immediate neighborhood is also highly concerned by potential housing buyers. Health, calm and quietness, secure, and privacy etc; are some common expectations for every person in finding a habitable living place. According to the demand pattern of condominium in Colombo, semi luxury apartments are popular among migrant workers, who can buy such unit with their foreign earnings and live peacefully after their return or retirements (Wejeweera, 2003).

A research has found that a situation of a particular kind of neighborhood occupied by particular sort of severely mentally disable clients can make a large, statistically significant reduction of nearby property value, at least in the short run (Golster *et al*, 1994). This implies that there is a less demand for such properties surrounded by poor immediate neighborhood environment. "An analysis of house sale surrounding Michigan hog operation areas" has disclosed that the value of a house has been decreased by US$ 43 for each additional hog within a five miles radius (Pulmquist, 1997). Similarly, the urban residential land values vary considerably due to the environmental quality such as scenic beauty (Prematilake, 1999). The financial attribute of the buyer i.e. the ability to pay easily is another determinant of the buying behavior. There is a positive relationship between source of credibility and the propensity to buy, which exists only for the high-involvement product and the upper-middle class category (Vipula, 1995). The time spent on searching information affects to the consumer behavior in buying decision too (Tunbull, 1992). Many consumer durable goods, consumers are used to reduce the risk of making a wrong choice by searching a perfect set of information regarding the product, visiting the product etc (Glen L. Urban *et al*, 1993). With the view of the fact, it is clear that the knowledge of the housing market is important for both the buyers as well as to the producer. In Sri Lanka, some marketing implications are prevailing due to the lack of market information and imperfect knowledge among sellers and buyers (Prematilake, 1999). Thus, it can be argued that at least the producer, who is supposed to be a caretaker of the consumer, should have a well understanding of the need and the behavior of the consumer. Moreover, in a broader sense, the population-structures and the socio-economic situation, etc; widely determine the housing market transaction of any economy. Higher number of middle aged group of population leads to a higher demand for family items such as clothes, food, and housing and increase of the segment of

people starting the new families will expand the market for housing (Nickels, 1982). A study based on Nigerian data reveals "the most important determinants of demand for the various housing attributes are the socio-economic and the demographic nature of human beings, income, price, household size, occupation of the head of the household, and the stage of the family life cycle" (Arimah, 1992). Engel, et al. (1986, 5) defined consumer behaviour as "those acts of individuals directly involved in obtaining, using, and disposing of economic goods and services, including the decision processes that precede and determine these acts". Simple observation provides limited insight into the complex nature of consumer choice and researchers have increasingly sought the more sophisticated concepts and methods of investigation provided by behavioural sciences in order to understand, predict, and possibly control consumer behaviour more effectively. Psychology, social psychology, and sociology are the disciplines most widely employed in this endeavor which has become a substantial academic industry in its own right.

In the literature about the residence choice, countless factors were pointed as influencing this process. It can be presented a synthesis of the determinant variables of this process, pointed from a series of works of the area (Cadwallader, 1982; Oskamp, 1994; Chen and Rosenthal, 2008; Borck and Wrede, 2009; Dahl and Sorenson, 2010). The concept of residential satisfaction became an important indicator used by researchers of studies of residential environments and analysts, for three different goals: [i] as evaluative parameter of performance of habitations of the public and private sectors; [ii] as indicator of the residential mobility and [iii] to evaluate users' perceptions regarding the inadequacies of their residential environment, enabling the guidelines formulation for future projects (Onibokun, 1973; Speare, 1974; Varady,1983; Galster, 1987; Francescato et al., 1989). A series of variables were pointed by literature as determinants in the formation process of residential satisfaction. The work of Brandstetter (2004) that treats of the deepened investigation of residential satisfaction, points six variables of major influence in this process, after widespread analysis of this process: age, family life cycle stage, family income, family financial patrimony, homeownership, motivation for the last residential change. Bazerman (2001) suggests the researcher should pay more attention to find out what the most important and challenging decisions are, for example, when buying a house or car. Nechyba and Strauss (1997) found that public expenditures, tax, crime rate, commercial activity are factors influencing buying decisions. And they found also that an individual household's location decision is significantly affected by local public services and community entry prices.

Morel *et al*. (2000) described the process of materials selection, design and construction used for small residential building in southern France, they found out that materials were resourced in situ in order to minimize the environmental impact of the new building, the process of materials selection, and the form construction are outlined. Local tax rates, crime rate, parks, education level, median income, median age, capturing the features of the socioeconomic environment, Neighborhood variables. Lenzen and Treloar (2006) analyzed the wood and concrete design of Walludden building described by Borjesson in terms of their embodied energy, employing an environmentally extended input-output framework in a tiered hybrid lifecycle assessment, and in a structural path analysis.

Finally the above review provided insights about housing market and factors influence on it such as, external factors and internal factors which influence on consumer decision making process.
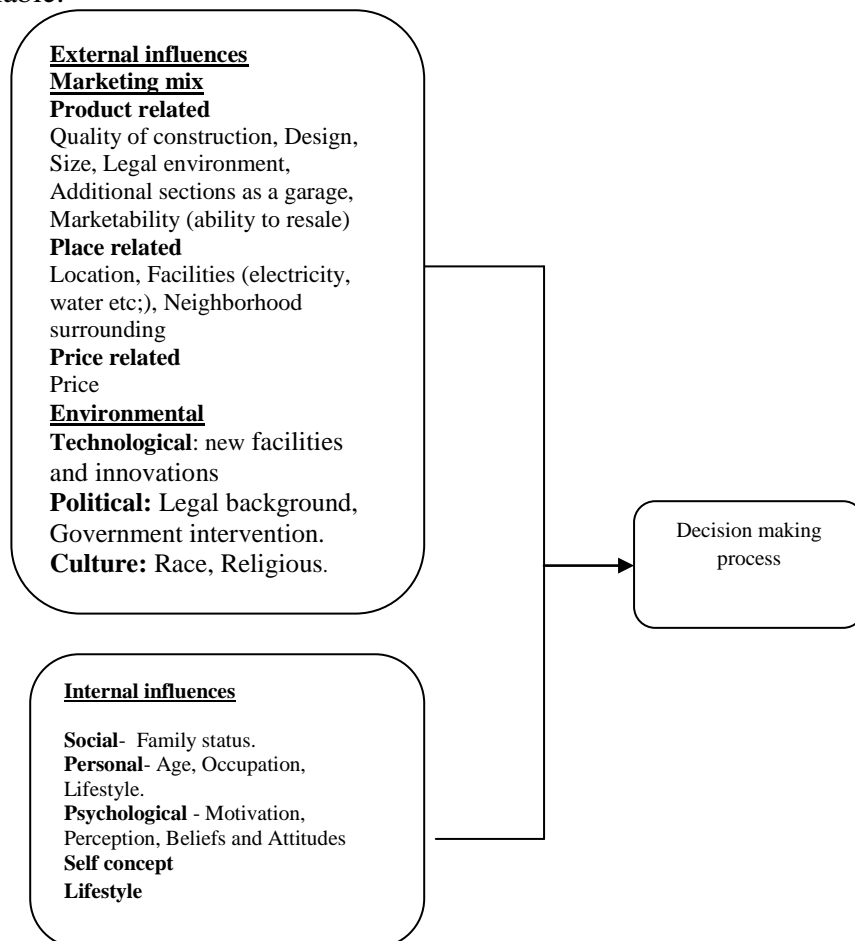
3. METHODOLOGY

3.1 DATA COLLECTION

The researcher designed convenience sampling method to design questionnaires to study 274 houses buyers in urban areas of the Northern Province of Sri Lanka.

According to the data conclusion, out of 261 pieces of completed questionnaires, 52% of them were male and others were female, meanwhile, the response rate was high to 95% which was sufficient to meet the requirement to finish the study.

To collect primary data a structured questionnaire and interview methods were mainly used. The questionnaire was prepared by means of pre-discussions with potential buyers, real estate brokers and sellers.

3.2 METHOD OF DATA ANALYSIS

The following model was developed by author to carry out this research. External influences including marketing mix and internal influences are independent variable. Decision making is the dependent variable.

External influences
Marketing mix
Product related
Quality of construction, Design, Size, Legal environment, Additional sections as a garage, Marketability (ability to resale)
Place related
Location, Facilities (electricity, water etc;), Neighborhood surrounding
Price related
Price
Environmental
Technological: new facilities and innovations
Political: Legal background, Government intervention.
Culture: Race, Religious.

Internal influences

Social- Family status.
Personal- Age, Occupation, Lifestyle.
Psychological - Motivation, Perception, Beliefs and Attitudes
Self concept
Lifestyle

Decision making process

Independent variable   Dependent variable

Source: Author constructed

FIGURE 1. Conceptual Model of the Research

The following hypotheses were developed by author to explain the model and tested using multiple regression analysis.

Hypothesis 1: Product factors has impact on the buyer's behavior when buying a house in Northern Province

Hypothesis 2: Place factors has impact on the buyer's behavior when buying a house in Northern Province

Hypothesis 3: Price factors has impact on the buyer's behavior when buying a house in Northern Province

Hypothesis 4: Technological factors has impact on the buyer's behavior when buying a house in Northern Province

Hypothesis 5: Political factors has impact on the buyer's behavior when buying a house in Northern Province

Hypothesis 6: Cultural factors has impact on the buyer's behavior when buying a house in Northern Province

Hypothesis 7: Social factors has impact on the buyer's behavior when buying a house in Northern Province

Hypothesis 8: Personal factors has impact on the buyer's behavior when buying a house in Northern Province

Hypothesis 9: Psychological factors has impact on the buyer's behavior when buying a house in Northern Province

Hypothesis 10: Self concept factors has impact on the buyer's behavior when buying a house in Northern Province

Hypothesis 11: Lifestyle factors has impact on the buyer's behavior when buying a house in Northern Province

Hypothesis 12: Decision making process has impact on the buyer's behavior when buying a house in Northern Province

4. RESULT AND DISCUSSION

4.1 RELIABILITY COEFFICIENT

In order to test the internal consistency reliability of the scales, it needs to calculate the Alpha values. Once the Alpha value was higher than 0.60, the scale was reliable (Schuessler, 1971). Additionally, Hair et al. (2006) also mentioned that the lower limit of acceptability in quantitative research was between 0.60 and 0.70. According to the *Table 1* all relevant Alpha figures were greater than 0.60 which were considered as acceptability and reliability. The Alpha value was greater than 0.60, the more reliability estimates were considered adequate as the current study for exploratory in nature.

TABLE 1 Reliability Level Obtained For Each of the Variables

Construct	No. of items	Alpha Coefficient
External influences	**15**	0.857
Internal influences	**10**	0.837
Decision making process	**6**	0.727

Source: Author constructed

4.2 CORRELATIONS

The analysis in respect of matrix correlation of consumer houses buying behavior and eleven independent variables as consideration. The result indicates that all the variables have significant correlation with consumer house-buying behavior, including Product (r=0.033, p-value =0.01 <0.05), Place (r=0.017, p-value =0.01 <0.05), Price (r=0.012, p-value =0.01 <0.05), Technological(r=0.553, p-value =0.01 <0.05), Political(r=0.362, p-value =0.01 <0.05), Cultural(r=0.549, p-value =0.01 <0.05), Social(r=0.550, p-value =0.01 <0.05), Personal(r=0.000, p-value =0.01 <0.05), Psychological(r=0.034, p-value =0.01 <0.05), Self Concept(r=0.011, p-value =0.01 <0.05), and Lifestyle.(r=0.811, p-value =0.01 <0.05).

All above figures reflect the consumer houses-buying behaviors have significant correlation with all the independent variables.

4.3 HYPOTHESIS TESTING

Multiple regression analysis was used to test the Hypothesis 1 to 11 on the eleven independent variables on consumer houses-buying behavior. The results of the Multiple Regression Analysis are illustrated on *Table 2*.

TABLE 2- Result of Multiple Regression Analysis

Dependent variable: consumer house-buying behavior			
Model	Standardized coefficient(Beta)	T-value	Sig.
Constant		3.269	0.001
Product	0.131	2.139	0.033
Place	0.171	2.312	0.017
Price	0.188	2.570	0.012
Technological	-0.037	-0.598	0.553
Political	-0.056	-0.913	0.362
Cultural	-0.034	-0.600	0.549
Social	-0.035	-0.601	0.550
Personal	0.276	3.737	0.000

Psychological	0.130	2.138	0.034
Self concept	0.186	2.555	0.011
Lifestyle	0.016	0.240	0.811
R square = 0.359 F- Value = 12.691			
Adjusted R Square = 0.331 Significance = 0.000			

Source: Author constructed

Table 2 shows that all the independent variables are simultaneously significant to the dependent variable (consumer houses buying behavior). This means that at least one of the eleven-predictor variables can be used to model consumer houses-buying behavior. From the value of R square is 0.359, 35.9% of the variation in consumer houses-buying behavior can be explained by all the eleven variables. From the analysis, Product (p-value=0.033), Place (p-value=0.017), Price (p-value=0.012), Personal (p-value=0.000), Psychological (p-value=0.034) and Self concept (p-value=0.011) were found to significantly impact on consumer house-buying behavior. Hence, hypothesis 1,2,3,9, and10 were supported. As the other variables' p-value were greater than 0.05 and not related to the consumer house-buying behavior, hypothesis 5,6,7,8 and 11were not supported. The result of hypothesis 12 on the other hand shows that each steps ranging from problem recognition to post-purchasing behavior all have a p- value of 0.000, which indicates an impact on consumer behavior.

5. FINDINGS

To some extent, the findings give a good guiding direction of potential home buyers' needs and expectations. This research will be most useful for real estate developers and property marketers as it allows deeper understanding of consumer decision making on purchasing commercial housing (Zhang, 2003). This knowledge thus enables the home- developing companies to match their customers' desires with their offerings better (Zeithaml et al., 1990). In order to improve the higher buyer involvement, housing and developers' companies should focus on building more confidence and satisfaction to their potential and existing house owners. According to Hao (2011) and Yang and Zhu (2006), it is also helpful for government to understand consumers' attitudes and behaviors from this report so that it can draw up sound policy to protect consumers' interest and control the market.

Quantitative research method has been used to collect data, which is better to analyze consumers' behavior from quantity so that the report will be more persuasive for future research. The studies should also analysis the relationship between demographic characteristics and consumer behavior. It is crucial to incorporate more respondents for in depth analysis. The bio-data should be extended to include consumers' occupation. The Researcher thinks that it would be interesting to see how and to what extend how various occupations have impacts on potential home buyers. It would be of great help for house estate developer to evaluate the significant of the correlation between first time home buyers in terms of their occupation. There are of course many other numerous factors and elements which instigate buying decision. Another suggested area the researcher would like to add on is the way communication message and channels are

designed to prompt or speed up buying decision. Perhaps there is a need to look into advertising and promotional activities via the internet.

Future studies should look further in studying the element of consumers' self concept and lifestyle. This is because, the two factors influences on consumer decision making process based on the analysis.

6. CONCLUSION

It is a need of time to study housing market in Northern Province of Sri Lanka. The research is timely and useful considering the rapid urban development of the Northern Province, Sri Lanka. The economic policies, private sectors activities in the housing market are growing significantly. The opportunities in housing markets at present and in the future are very high. Determination of efficient housing markets is widely based on clear understanding of consumer behavior in the market.

As buying homes is an important stage of life and family establishment, it is thus critical that the perceptions and behavior of home buyers be understood and comprehended. This would ensure that homes are built in accordance to needs and expectations. The significant of this paper is extended to the property developers as well. The knowledge of the intrinsic needs enables developers to gain competitive advantage. This is essential as the property market is highly competitive. Furthermore, as living cost and standards changes so are expectations and demand. It is necessary therefore to study the trend of consumers' needs and wants. This is perhaps not a one- time research but should be on- going for this reason. In sum, this is a crucial area whereby researchers should explore, considering appropriate implications in terms of business transactions. Future research in these aspects will definitely provide valuable information to all related supply chain industry of the real estate business as well as for the government in their future housing and taxation policies making.
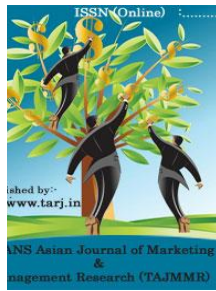
All in all, this study encourages further studies in different views of the housing market in respect of Northern Province, Sri Lanka to grasp the emerging opportunities.

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E-COMMERCE: CONVERGING THE WORLD ECONOMIES, FUTURE AND GROWTH IN INDIA.

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ABSTRACT

Commerce stands for electronic commerce where business transactions are carried out using telecommunication means, mainly by using internet. With the deployment of internet connection, 3G and 4G telecommunication services, broadband, laptop, smartphones, tablets acceptance of e-commerce is increasing. The e-commerce story will surely witness a new world of digitalization. The objective of this study is to highlight the growth of e-commerce in India, issues in e-commerce, major players in Indian e-commerce market, analysis the present trends of e-commerce and examines the future of e-commerce in India in terms of challenges and opportunities.

KEYWORDS: *E-commerce, Internet, technology, security, cloud computing.*

INTRODUCTION

With the emergence of internet and its commercialization, a new form of commerce which is popularly known as "E-Commerce" has emerged in modern global economy. E-commerce is the   use of internet and other networking technologies for conducting business transactions. Unlike physical exchange or direct physical contact such kind of business encourages business transactions electronically. Further e-commerce not only involve buying and selling but it also involve other activities like web promotion of products and services, invoicing and payment   online, dealing with customers queries online etc. Technologies that are normally used for e- commerce include Electronic data interchange (EDI), electronic catalogue, electronic form,   finance and banking technology, electronic payment systems like smart card, fund transfer, digital cash etc. Therefore, e-commerce include wide range of activates and applications. Based   on type of application e-commerce can be classified into following categories:

• Business to Customers (B2C) - In B2C e-commerce companies sells their products and services to consumers who are the end users. For e.g. Amazon
• Business to Business (B2B) - In B2B e-commerce commercial transactions takes place between two or more businesses without involving customers. For e.g. Alibab.com
• Customers to Customers (C2C) - In C2C e-commerce, consumer sell products directly to other consumer. A popular example of this is eBay.
• Customers to Business (C2B) - In C2B e-commerce which is also known as reverse auction or demand collection method. In this customers post their products and services online on which companies can post their bids. A customer reviews the bids and selects the company that meets his price expectations. Common examples include online blog, Fotolia, Google adword etc.

OBJECTIVES

The objectives of present study are:
• To analyze the present trends and opportunities of e-commerce in India.
• To examine the factors leading to growth of e-commerce in India.
• To examine the challenges and possible solutions of e-commerce in India.
• To examine the future growth potential of e-commerce in India.

RESEARCH METHODOLOGY
For the present study secondary data has been used including available research articles, journals, books, websites, newspaper, reports etc.

E-COMMERCE IN INDIA

From a buzzword to reality, E-commerce in India has been experiencing an exponential growth. Traditionally India is a country where most of the shopping is done in unorganized markets and nearby store. The same Indian customers who were earlier satisfied with that, are nowadays looking for easy and comfortable mode of shopping- resulted in quick growth

of e-commerce. Today people can shop from anywhere within minutes, be it home or workplace. The online market space in the country offers wide range of products and services ranging from travel, hotel reservation, matrimonial services, fashion accessories, electronic gadgets, virtual goods such as books and music download, software, games and even groceries etc.

India's market scenario, growing penetration of internet, broadband, 3G,4G services, laptops, smartphones, tablets, with wide variety of customers and acceptance of idea of virtual shopping has created E-commerce eco-system in India.

 India economy has been continuously showing good growth sign, with average GDP growth rate of 7.5% in 2015-16 (As per ministry of statistics and programmer implementation survey 2015).According to Forrester, the e-commerce market in India is set to grow the fastest within the Asia-Pacific Region at a CAGR of over 57% between 2012-16. The Indian consumers are rapidly adopting technology. While the overall tele-density is 83.36%, broadband subscription is

149.75 million as of 25th May, 2016. Additionally, at the same time number of smartphone users in India is expected to reach 204.1 million in 2016 from 76 million in 2013, and is expected to reach to317.1 million in 2019 (As per statista 2016).This growth of smartphone users in India is due to availability of highly affordable smartphone and easy to use features which helped first

time users to shift from desktop/laptop phase. At the same time internet penetration is also rising with the number of internet users of about 354 million as of June 2015 and is expected to reach 500 million in 2016 (Wikipedia).

STATUS OF E-COMMERCE IN INDIA

Today e-commerce has become an integral part of our daily life. There is e-commerce companies providing wide range of products and services then there are some which provide a specific product accompanied with allied service.

Automobiles= Sale of automobiles in India is now going digital transformation. Many interesting startups have come up in India over the past few years in auto sector like used car marketplace, car insurance, online auto classified, roadside assistance, and car review and rental services. Online car review is one of the important features of automobiles site. Few examples include zigwheels.com, Gaddi.com,Carwale.com and OXL and quicker making the market for used car.

Lifestyle= lifestyle also occupy a larger share in e-commerce industry. Offering various products such as apparel- Men, women and kids, accessories, home décor, mobiles, books, gifts etc. Some of the popular websites include Amazon, Myntra, Jabong, flipkart etc.

Real estate= Real estate e-commerce websites provides information on new properties as well as for resale. Some of the services which are offered are housing finance, property

management consultant services, home insurance, home loan etc. Example of real estate sites in India includes indiaproperty.com, 99acres.com, magicbricks.com etc.

Stock and shares= There are certain websites that allow the users to trade in various securities. Some of the services provided by these sites includes buying and selling of stocks and shares, market analysis and research, comparison of companies, research on equity and mutual funds, tracking market trends etc. few examples of such sites include www.equitymaster.com, www.5paisa.com etc.

Travel and tourism= E-commerce is bringing new opportunities in the growth of travel and tourism. A major government of India portal, www.tourisminindia.com has wide variety of information for tourist. Other services include passport and visa, weather information, festival dates, travel and accommodation information etc. The entry of online travel industries such as makemytrip.com,yatra.com etc. has revolutionized the travel industry by offering instant booking and comprehensive holiday packaging and choices.

Matrimony= It is said that marriages are made in heaven, but in the world of e-commerce they are made on marriage portal. These website provides services such as match making, astrological services, information on rituals, legal issues etc. Few examples includes shaddi.com, jeevansathi.com etc.

Employment= In the field of employment e-commerce companies are providing employment to job seekers at the click of mouse for which nominal fee is charged. Few websites includes monsterindia.com, Naukri.com, shine.com etc.

GROWTH OF E-COMMERCE

E-commerce has changed the way we live our life today, the history of e-commerce appear pretty shortly but its history began more than 4 decades ago (refer table 1.).Prior to evolution of money there was "barter" system involving exchange of things. With the evolution of money the concept of "marketplace" came. After the evolution of marketplace, few pioneers realized that people would be ready to pay extra if they could get the products delivered at their doorstep. And therefore the concept of "street vendors" came. When postal system came the sellers decided to capitalize on new opportunity and started using mailers to give description of their products. From there "Tele shopping" network was evolved with development of media vehicle. The latest generation of commerce is e- commerce where sellers and buyers can come together to purchase and sell the good and services over the internet.

TABLE 1.Technology advancement and emergence of e-commerce

Year	Technology	Function/use
late 1970's	EDI-Electronic data interchange,	Electronic transaction and electronic exchange of information could be made.

	EFT-Electronic fund transfer.	
1971 or 1972	ARPANET (Advance research project agency network).	Pioneering network for sharing digital resources among geographically separated computers in US became the foundation for internet today.
1990-1991	First web browser, world wide web created by Tim Berners- Lee opened for commercial use.	Internet is opened for commercial use, e-commerce become possible.
1994	Netscape	Netscape released navigation browser named Mozilla.
1995	Internet in India	VSNL formally launched Internet for public use in India.
1996	Online banking	ICICI is the first bank to champion its usage and introduced internet banking in India.
2000's	Many e-commerce companies entered the Indian marketplace and people began to get aware of e-commerce.	India times shopping, EBay, Flipkart, Myntra, Snapdeal, Jabong, Amazon etc.

• **COMMERCE GIANTS IN INDIA**

There are hundreds of e-commerce websites in India. But following is the list of game changers in the industry.

TABLE 2: E-**commerce Giants in India**

Companies	Description
2000: Indiatimes	Indiatimes is an e-commerce division of times of India group, it started its operation in
shopping	2000 being one of the earliest e-commerce companies in India.
2007:	It is an e-commerce company founder in 2007,has launched its own product

	range under
Flipkart.com	"Digiflip" with the product including tablets,USBs, laptop bags. In 2014 acquired Myntra for
	Rs 20 billion.
	Indian e-commerce company of fashion and casual lifestyle products started in
2007: Myntra	2007.Merged with flipkart in 20014 to compete against amazon.
2008: Homeshop	Homeshop18 is an Indian e-commerce company which is an retail venture of network 18
18	group, which is owned by reliance industries. Started as a television channel in
	2008,homeshop18.com website got launched in 2011.
2010:	Snapdeal is an online marketplace stated in February 2010. It won re hearing Asia award in
Snapdeal.com	2011.Now it has become a multimillion company in online retailing.
	Indian e-commerce website launched in 2010.Stared by offering mobile recharges, bill
2010: Paytm	payments and also offers products similar to flipkart.com,amazon.com.
	It is an India fashion and lifestyle e-commerce portal founded in 2012.In 2016 flipkart
2012: jabong.com	acquired jabong through its unit myntra for about $70 million.
	Amazon is an American e-commerce company started in US in 1994,it entered in Indian
2013:	Market in 2013.Started as an online bookstore, now diversified into wide range of
Amazon.com	products.Amazone has grown really fast in India and has become one of the retail of
	flipkart.
Ebay.in	Ebay is an American e-commerce company started in 1995 in US, providing B2B,C2C
	services through internet. Later launched ebay.in in India to cater to the needs of Indian

market through baazee.com

According to a research done by Forrester, a leading global and research advisory firm e- commerce market in India is set to grow at a CAGR of over 57% between 2012-16 which is the fastest within the Asia-pacific Region. It issued a report titled "Asia Pacific Online Retail Forecast, 2011 To 2016".Forrester Research's Projections for Asia-Pacific e-commerce sales by countries (in billion, in U.S. dollars) in 2012 and 2016 are given below:

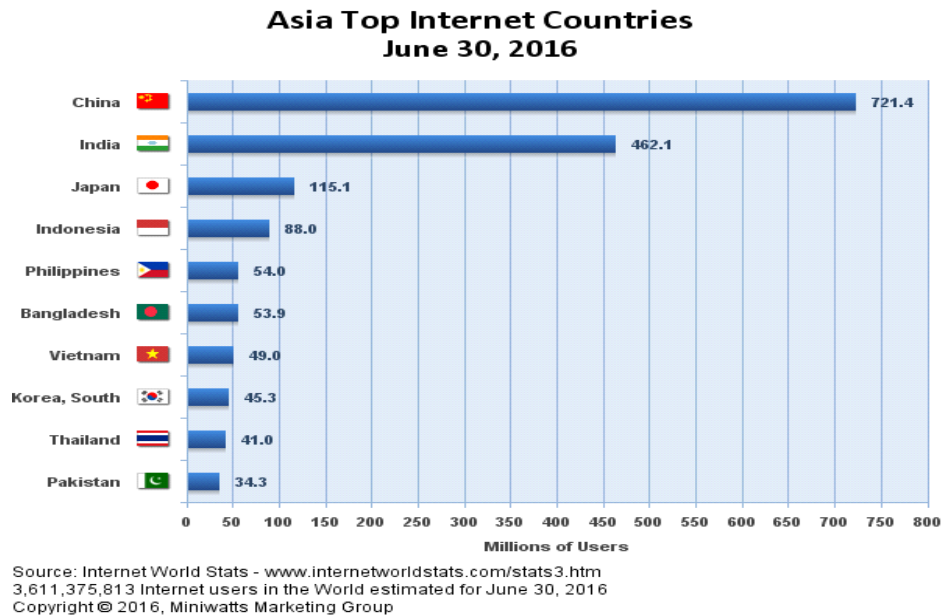| Country	Sales in $ Billion	
	2012	2016
India	1.6	8.8
Australia	23.2	35.4
Japan	63.9	97.6
China	169.4	356.1

Source: Forrester

According to RNCOS a market research and Analysis Company, the Indian retail market shall grow at a CAGR of around 39% during FY 2013 to FY 2016, because of the growing culture of smartphones and tablets. According to the research the major factor deriving online buying in India include cash on-delivery facility, discounts & offers given by online retailers and changing and busy lifestyle in metros.

FACTORS DERIVING GROWTH OF E-COMMERCE IN INDIA.

- One of the factor that is leading to growth of e-commerce in India is changing and busy lifestyle,nowdays people hardly find time to go out and shop.E-commerce offered the convenience of shopping where the people can sit comfortably at home and can get wide variety of products under one roof and thereby eliminating the need to stand in queues, travel time and cost. This changing lifestyle of country's urban population and rising disposable income increased the dependency on online medium which led towards the growth of e-commerce.

- Another reason for the growth of e-commerce in India is rising internet user base, where larger percentage of population is subscribing to broadband internet, rising 3G internet

users and recent launch of 4G across the country. According to Internet world stats internet users for the world for 30^{th} June 2016 is estimated a below:

Asia Top Internet Countries
June 30, 2016

Source: Internet World Stats - www.internetworldstats.com/stats3.htm
3,611,375,813 Internet users in the World estimated for June 30, 2016
Copyright © 2016, Miniwatts Marketing Group

- Availability of wide range of products as compared to traditional brick and mortar model has led to growth of e-commerce. People online can easily search products of their need through a large database of the products, can see the price and compare the prices with other products offered by other retailers online, which is much simpler then brick and mortar stores. Many websites also provides the facility of buying and selling second hand products like OXL, Ebay etc.

- Emergence of smartphones and tablets along with drastic reduction in rise of PCs and laptops has transformed the way people use internet today, this also led to growth of e-commerce. According to counterpoint research report (2016),India has become the 2^{nd} largest smartphone market in terms of active unique smartphone users crossing 220 million users in 1st quarter of 2016, surpassing the US market. One of the reasons for such growth is increasing penetration of affordable smart mobile devices in the country.

- Great customer experience and competitive prices is also another important feature deriving growth-commerce   facilitates   comparison   shopping   i.e.
products, prices, features and other parameters could be compared by the customers within a particular site and also with other sites. Online retailers also offers various deals, offers, coupons, opportunity of customization, cash on delivery facility, replacement policies that attracts a lot of customers to these online websites. And also Indian customers have matured over the years and increased their acceptance for various payment approaches such as net

banking, debit card, credit card, e-wallet etc. Thus, owing to acceptance of online shopping as safe shopping medium e-commerce horizon has expended. An American Express-Nielsen (2016) conducted a survey to look at the mindset of online customers in India and found that 70% of Indian customers across the various cities prefer using plastic money over cash on delivery.

- Increase in income level and disposable income with improvement in standard of living of Indian customers increased the probability to turn towards e-commerce. According to Trading Economics global macro models and analysts disposable personal income in India is expected to be 147960218.03 INR million by the end of 2016 and is expected to rise to around 231000000.00 INR million in 2020.

- Many e-commerce sites like Amazon, Jabong, and Flipkart have launched in India with an intention of staying in Indian e-commerce market for long term perspective. This created a strong competition among the rivalries and gave many alternatives to customers. Sectors like travelling and retail have been the two major successful sectors in the field of e-commerce and their success induced the other sectors to enter the India e- commerce market as well. According to the study conducted by the Internet and Mobile Association of India, the e-commerce sector is estimated to reach Rs.211,0005 crore by December 2016.Study also indicated that major contribution in Indian E-commerce market is of online travel, which account for 61% of e-commerce market.

CLOUD COMPUTING AND E-COMMERCE

Cloud computing means storing and accessing data and programs over the internet instead of computer's hard drive. In other words it is a practice of using the network of remote servers hosted on the internet to store, manage and process data, rather than using a local

server or a personal computer. Cloud model: There are three cloud models that are commonly used.

- **Software as a service (SaaS)** = In this the users or businesses can subscribe to access the application software and database. In this the cloud providers install application software in the cloud and cloud users access the software from user client. This reduces the operational cost as cloud users do not manage the cloud infrastructure and platform where the application runs. Example of this model includes salesforce.com, Google Apps etc.

- **Infrastructure as a service (IaaS)** = Infrastructure cloud allows the users to access storage, processing, networking and other computing resources. Cloud providers provide these resources on demand from their large pool of equipment installed in data centers.Example of this model includes Amazon's elastic compute cloud.

- **Platform as a service (PaaS**) =In the cloud companies offers a development platform to the users where the business can create their own custom application for use in the company without the cost and difficulty of buying and managing the underlying hardware and software. For example Google App engine, force.com etc.

Cloud computing has revolutionized the way e-commerce companies operate today. This technology has transformed all the IT operations with drastic increase in productivity.

- E-commerce companies by using cloud computing can reduce the cost involved in purchasing hardware and software as companies can rent rather than system building. The charging mode of "pay-as-service" is very flexible, which helps an e-commerce company to pay for the resources based on the demand.

- Cloud computing enables the e-commerce companies to make efficient utilization of idle resources. Businesses can integrate the ideal IT resources on the far-end platform and rent them to customers who help in reducing operation cost and prioritize resource allocation.

- Cloud computing provides flexibility and scalebility.There are seasons when e-commerce companies experience heavy traffic such as holiday, sale, etc. In such situations cloud can scale up when necessary and scale down thus reducing cost.

- Anytime anywhere accessibility of cloud allow the users to access their data from any location anytime by using a standard web browser. This saves the cost to set up expensive equipment for in-house system.

- A cloud service provider also ensures strong security to protect the data. Many providers go for various types of security audit, data encryption and for ISO 27001 certification to prove their worth to customers. In addition to this companies can also use hybrid

cloud computing model wherein companies can store the sensitive data securely in private cloud while storing public data in public cloud

- Use of cloud would also help the business organizations to improve their internal processes, concentrating more on core competencies, improving quality of products and services etc.

Therefore, emergence of cloud computing has opened a new service ecosystem and helps e- commerce companies to make more efficient use of their IT hardware and software investments and a means to accept the innovation.

CHALLENGES IN GROWTH OF E-COMMERCE AND SUGGESTED SOLUTIONS.

- **Logistic issues** = Logistic is one of the foremost hindrance of e-commerce in India. There is not much facility of delivering goods in remote and rural areas. Issues like lack of supply chain integration, high delivery charges of products and delay in delivery also frustrate the consumers this issue can be addressed by regionalization. Possible solution to handle the problem of logistic include:
- Currently courier companies handle logistic services in India that has limited reach. To tackle this situation e-commerce companies could start their own in- house logistic operations. For example. Amazon started its own logistic arm that is Amazon transportation services private limited.
- Services of Indian post can be used to handle the problem of last mile delivery
- Automated Guided vehicle (AGV) could solve many logistic problems of e-tailer. For example. Amazon prime is working on its drone based delivery of its products.
- Setting up of small distribution centers and efficiently using GPS- based devices could solve many of the logistic issues.

- **Trust issues** = Indian customers are still reluctant to purchase the products online. They are often reluctant to disclose their credit card and bank details online due to fear of online fraud. To address this issue the companies should be open for all payment gateways like e-wallets, COD, prepaid cards etc. And there is also a "Touch and feel factor" that Indian customers are more comfortable in buying physically than online especially for products like apparel, jewelry etc. Thus trust is one of the issues that need to be addressed.

- **Cash on delivery is preferred payment mode in India**= In India, most people prefer to pay on cash on delivery basis and for e-commerce companies manual cash collection is quite expensive, time consuming and laborious. According to statistic the most popular digital payment method in India in 2015 is cash on delivery accounted for 57% of all the digital shopping transactions.(**Sources:** A.T. Kearney; GfK; Google).Emergence of cashless payment system can boost the e-commerce sector because that can significantly reduce the cost and time of e-commerce companies. With the introduction of financial inclusion project of government of India

more people shall have banking access, mobile wallet launched by digital companies like paytm, mobikwik, Apple pay, Google wallet are user friendly and secure . Therefore online players should spread awareness of benefits of cashless payment to encourage the customers.

• **Indian customers returns much of their products they buy online**= Indian e-commerce has lot of first time buyers who come to site to try the products and most of the time return them. Managing returns involve a lot of cost for sellers and e-commerce marketplace.

• **Tax Structure**= Tax rate system in India is another major factor in growth of e-commerce in India as compared to developed countries like USA and UK. In those countries tax rate is uniform for all the sectors whereas in India it varies from sector to sector. This creates accounting problem for Indian online businesses. Also there are no special provisions for taxation e-commerce companies in India. There is lot of ambiguity in applicability of withholding provisions. GST when implemented is expected to impact the e-commerce positively through simple interstate-goods, uniform tax structure, merchant compliance and easier tax refund, by eliminating the incident of double taxation etc.

• **Privacy** = Privacy is a major issue that need to be addressed. Customers are much concerned about sharing their information because of the fear of cyber-crime. There can be server risk, data transfer risk, financial fraud, reputation damage, Destruction of critical infrastructure etc. Some of the recommendations towards an effective security solution could be:
• E-commerce companies should set their risk appetite and set strategies accordingly.
• Companies must fully integrate cyber risk management in their IT discipline and it should be made an enterprise-level issue and e-commerce companies could also source this task of risk management.
• Prepare for cyber-attack by restructuring security data, penetration game etc.

FUTURE OF E-COMMERCE

In India which is seventh- largest by geographical area, second most populous country, and the most populous democracy the future is e-commerce is tremendous. E-commerce has reduced the gap between the manufacturer and consumer. In India there is vast scope of e-commerce because internet penetration in India is 36.5% as on 30th June 2016 (As per internetworldstats.com) and is increasing at a faster rate. According to statista the retail e-commerce sale compound annual growth rate from 2016-2020 in selected countries shows that Indonesia will rank first in terms of e-retail development with a growth rate of 18.82% in projected period. India is ranked second
with a retail e-commerce CAGR of 16.98%, followed by Mexico and china with the CAGR of 16.57%   and14.28%   respectively.   Changing   lifestyle,   rising   internet   penetration,

increasing disposable income are the major factors that will lead to growth of e-commerce in India. E- commerce market is largely driven by innovation and continuous technology led solution and these are expected to continue in future. Some of the innovations that are likely to positively change the future of e-commerce in India include:

•   **Innovation in payment**= Use of plastic money and increasing use of digital wallet together with newly introduced Unified payment interface (UPI) shall foster innovation in payment and can also make cash on delivery seamless by cashless fulfillment at the time of delivery.

•   **Delivery model**= Keeping in mind the "traffic" situation in India's metros leading to late delivery. E-commerce and logistic service providers are exploring new methods of delivery such as Drone delivery ,taking delivery form nearby kirana stores e.g. Amazon kiranaNow in Bangalore, crowd-sourced delivery model e.g. Flipkart has tied up with dabbawalas in Mumbai for last mile delivery, etc.

•   **Artificial Intelligence and the use of Drones** – Managing the supply chain logistic to provide on-time delivery especially during festive season is a challenge for e-commerce companies today. Solution for it is drone delivery such as amazon prime Air is working on drone based delivery of its products. Also artificial intelligence (AI) is also transforming the e-commerce industry that could enable the users to discover what they are looking for with the click of mouse seamlessly.

•   **App only approach**= Expert suggest that the future of e-commerce lies in mobile. Around 279.5 million people in India accessed internet through mobile devices in 2015 and this is expected to increase to 524.5 million in 2021 (As per statistic digital market outlook). The mobile applications in India are helping e-tailers to reach more customers located in even rural and remote areas. Customers can get alert, updates, view product catalogues, place order and pay by simple mobile application.

•   **Digital advertisement**= Digital advertisement is flexible and can be used for any kind of devices and goods. The ability to customize the ads for target audience, increasing engagement and loyalty and tow way interactive opportunity make digital advertisement more effective.

•   **Search Engine Optimization (SEO)**= SEO are the set of rules that the website owners could follow to increase its search engine ranking for web promotion. With thousands of products that are there in the digital catalogues could be made visible with the help of SEO technology. Search engine bots prefer websites that are updated, error free, with content etc. Therefore, e-tailers should increase the critical aspect of their online store to make it more search engine preferred and thereby derive more motivated buyers to the website.

CONCLUSION

As a concluding note E-commerce is a future of shopping in India and is continuously changing the way people buy and sell products and services today. Future of e-commerce in India would be bright if some of the concerns related to weak cyber law and basic rights

such as privacy, intellectual property, prevention of fraud, consumer protection etc. all are taken care of. As pointed out in the present paper there are various factors that are leading to growth of e- commerce in India including changing lifestyle, growing penetration of internet, emergence of smartphones, tablets ,3G, 4G etc., increasing disposable income of people in India etc. Although Indian customers are adopting the idea of online shopping but still they show disinclination towards e-commerce to some extent. Therefore e-commerce companies with better offers and services, replacement guarantee, problem of logistic, multiple payment system, dedicated 24/7 customer care service, online payment fraud being solved, by creating trust can reduce the hesitation of customers. This paper also showed how cloud computing is transforming the way e- commerce companies operate today by offering various benefits. Thus, in India future of e- commerce is tremendous.

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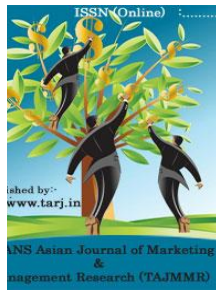
FACTORS OF DEVELOPMENT OF BOOK MARKETS IN UZBEKISTAN

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ABSTRACT

Trade in books is the important factor providing high spirituality and culture of the population. As only the knowledge received through the books, is fixed in memory, enterprise activity of the person grows, the contribution to economy will increase and conditions on society development are created. In this article such facts, as presence of historical bases of development of book trade in Uzbekistan, development of book trade along with all goods in our historical cities of the Great Silk Way, the huge contribution of books to spiritual formation and population development are shined. Along with that, in initial years of independence of Uzbekistan, reduction of book publishing house and trade, and gradual development of book trade with further prevention of difficulties of our economy are analyses. Using experience of the developed countries of the world, scientifically practical recommendations about formation of book trade are made and to set a high lath in the given sphere of Uzbekistan.

KEYWORDS: *"The Great Silk Road", book trade, the book market, electronic commerce, Internet shop, sales promotion, public relations.*

INTRODUCTION

In days of independence of Uzbekistan of a problem and feature of the book market and development of book trade almost were not carried out scientific researches. We consider that global changes in the World economy, processes of integration of economy and their influence on culture and spirituality of the population in this connection the question of development of book trade and increase of culture of the population is very powerful factor. Increase of spirituality of the population can be reached only through book trade. The book market of Uzbekistan has original practical aspects(Alam & Diamah, 2012).

Therefore, their analysis and a finding of decisions of the revealed problems on the basis of scientific researches makes a basis of our research. In Uzbekistan scientific, methodical and educational references concerning book trade are not published(Ajwad et al., 2014).

RESEARCH METHODOLOGY

As research methodology such methods, as supervision system, the historical approach, induction and deduction methods, archival method have been used.

LITERATURE REVIEW

Pricelessness of value of the book in formation of spirituality of the population of our country it is known to us from historical development of our native land and manuals of our ancestors (Islam Karimov, 2008)[1]. The sense of a word "Book" can be met in many dictionaries and sources. In the National encyclopedia of Uzbekistan the following interpretation is given to the book: the Book is means of storage and distribution of the information, idea, an image and knowledge, formations of the sociopolitical, scientific, aesthetic points of view, the tool of propagation of knowledge and education, art, scientific works and references. On classification of the international statistics of UNESCO, the book the official publication, 48 pages containing, at least, both having cover and a quire admits[2].

The foreign scientists who have devoted the lives of trade of electronic books in the scientific works consider that "Trade in electronic books" and "Online reading of books" are different circles of a platform. Scientific researches on the marketing means, giving the chance to facilitate both these platforms for consumers have been carried out. This opinion and assumptions also are actual for us (Richard J. Gilbert. 2015)[3].

If to draw conclusions from such scientific editions devoted to a question of an estimation of books, as (Barker R.E. and Davies, G. R. (eds.) 1966, Dearnley, J. and Feather, J. 2002, Weiss pfennig, K.S. 2007)[4], taking into account that we are in initial stages of development of book trade, certainly they can be used by search of decisions of the problems connected with book trade in our country(Berger & Paris, 2013).

If to make an addition to such points of view, called books as the "goods" or goods for "inspiring" of people by[5] (Hirschman E. C., Holbrook M. B.), we can notice that the book is not only intellectual inspiring means.

PR (public relations) on book trade specifies that the book is how much popular and how much it is extended among people, it has character to capture all public and researches about it in our country during scientific researches resort to a principle of public relations more and more and it makes a basis of development of activity of subjects of retail trade and book publishing houses (Hjorth-Andersen, C. 2000)[6].

Models of acceptance by the population of the book, its influence on a sales volume and definitions of efficiency of book publishing houses (Michel C., Dennis P. 2007)[7] according to which have been analyzed appearance of the book, interpretation of books and other basic arguments of the book. Really, as the factors influencing development of book trade, it is possible to name the status the author (brand), a genre and sense of the book, book volume, the price (on each page). However, major factors of development of book trade are incomes of the population and bookshops.

Studying of the scientific bibliography shows that within years of independence scientists of Uzbekistan did not work over the scientific researches connected with book trade and its problems, also in a press few any information on their results.

ANALYSIS AND RESULT.

Each market, providing goods and services to nature has its own peculiarities. In particular, the book market is a collaboration between educational institutions and socio-economic process - authors, publishers (print company), and the sale of the book. This is the whole importance of the feature, the essence and the uniqueness of the book trade. The book is not just a commodity, it's the reason that leads people to think together, is a treasure that is passed down from generation to generation and helped to satisfy the spiritual needs of our ancestors.

The process of the emergence and formation of books in history is closely associated. In the most ancient centers of civilization, such as Egypt, Rome, Greece, China and Central Asia, people mainly used stone, palm leaves, clay, animal skins and many other materials to express their opinion and evidence of this are the historical findings that archaeologists find today.

When books began to be written on paper, this was the reason for further development of multiplication and decorate them. Based on historical facts, we can say that in Samarkand there were paper books more than 650 years ago[8].

In Central Asia, the publishing of paper books formed the X-XII centuries later came the printing art, what was the transition to a new stage of development. The main centers of books appeared under the Tim rids was drawn, particularly in Samarkand and Herat were built in the Palace library which was developed book trade. These libraries are specialized in calligraphy, the proper script, binding, decoration and the creation of books.

In the development of the book industry it should be noted that the first copies of the books were discovered in China in 1041-1048 years, in Europe, Germany, Guttenberg, this period dates from 1445, the first printed book was published in Turkestan, near the headquarters of the Turkestan military district (Tashkent), this is proved by historical sources[9].

In the words of our first President Islam Karimov. "We all know that the book is an invaluable heritage of our great ancestors that inspires in us the desire to always live and work, to be courageous, generous... "[10]. The essence of the spiritual content of the book in any society is, providing, and presenting to people the idea and the dregs of books, but mostly this is a function of bookshops, shelves, and libraries.

If you take into consideration that the oldest book on earth, which is called "Avesta", was found in Khorezm, we can proudly say that the book trade in Uzbekistan was developed many centuries ago. The origin and development of the book trade, of course, left a mark in the political and economic development of the country and contributed to the development of international relations with different countries.

Starting from the 1st Millennium BC until the second half of the twentieth century, a road that connects East and West, and passing through countries such as China, India, Central Asia, Iran, the middle East and in the Mediterranean sea, the "Great silk road" played a big role in the development of trade, economic and cultural relations between the countries.

"Great silk road" was long and difficult, says Russian scientist V. V. Bartold[11], Central Asian countries could not maintain direct economic ties with countries West of China. Thus, trade through the "silk road" was carried out in favor of Asians, especially soglow (the capital of Afrasiab - Samarkand), and the country of Bactria and of Iran acted as a mediator. Thus, economic cooperation in Central Asia, primarily in international trade and cultural fields also function as intermediates between East and West. As a result, between East and West began cooperation in such matters as the exchange of scientific ideas, inventions and works of art, manuscripts, and the exchange of other trade goods that create an enabling environment for development and education.

That is why the countries of Central Asia "silk road" had a great influence on the development of production, trade, education and culture, as well as on the economic and social life of the people. It should be noted that in the IX–X centuries Maverannahr and Khorezm achieved much in economic and cultural life[12].

In retail trade, as the object of the book is not an ordinary commodity, it represents the meaning and value of intellectual goods. Thus, the organizational structure of the book trade, sales and service process has its own specific characteristics. Selling books as a product of creativity, it becomes more competitive environment between writers. The first source of all knowledge and the various inventions on earth appears from the book.

From historical sources we know that in our countries, the development of various scientific disciplines, literature and art the prosperity of trade also was a big contribution to the book. Bookstores are not just a place for selling books, but the centers where poets and writers can exchange ideas and debate on various topics.

However, the development of the book market, special attention was given after the country achieved Independence.

During the years of Independence, the reform of the publishing and printing industry, publishing activities and their work to improve the prospects of further development of material and technical resources meet the requirements of a market economy and a legal framework for the functioning of the level.

During the years of Independence Uzbekistan has created opportunities and conditions for improvement of conditions at the site of the old journalistic publications, new publishing companies such as "East" publishing "Teacher" publicist and publishing house named after Gafur Gulyam publishing and the state printing house "Uzbekistan ME".

To maximize the development of modern publishing, with particular emphasis on the technology. From the publishing house "Master" was purchased machine, automated seam offset printing, mark "RYOBI-75P" and color of "Harizon AFC-744A".

The publishing house is equipped with a drying infrared and ultraviolet rays printed products, machine for cutting and broach of securities of the brand "Mart" automatic line for the production of covers, stamps "PETRATO" will be purchased and put into operation.

Ministry of higher educational institutions and spheres of publishing and printing company, where the most advanced computer technology, in particular, they include STR, "Rondoset - 170", "Orient Rapida", "SICLOH", "Spidmaster" and other color printing machines. At the same time, the cooperation of writers from USA, Germany, Russia and such countries as India.

Printing and publishing countries publish Newspapers and magazines of schools, professional colleges and academic lyceums teachers and students, students of higher educational institutions, school staff, parents, publications, textbooks, teaching AIDS and various sectors of the economy - manufacturing and services, family business services for small businesses, qualifying guidelines, dictionaries and reference books, as well as to prevent the production of scientific literature to modern requirements.

Today in Uzbekistan, in total, was published 50 million copies of the books. For example, in 2010, 751 million 729 000 USD 24 billion to $ 255 million books sold. In addition, the American population is 76 million units of e-books. 68% of member libraries of the American people read an average of 7.7 books a year. If the average of 2.78 units per year in the United States, has been taken into account that the average retail per person, read about 10 books. The population of Russia in average in one week is devoted to a reading of 7.1 hours and is in seventh place in the world in reading books after India, Thailand, China, the Philippines, Egypt and the Czech Republic[13].

Culture books we have today does not meet the requirements of the buyer. Because very few shops with retail sales. The media and, most importantly, the development of telecommunications and the Internet is a global system, the growth of e-books as well as the application of new methods of organizing the book sale requires the creation of new scientific-methodical base.

Special attention, given to education system in the years of independence, is being realized successfully, and created opportunities for the youth in the way of learning foreign languages – all these matters brings changes in book market and its sales.

According to resolution signed by the first President of Uzbekistan Islam Karimov "On measures on further improving system of studying foreign languages", foreign languages is being taught in all schools of Uzbekistan from first classes and a programme is adopted on measures one expanding studying foreign language at all levels of education system in Uzbekistan. And now there is being created necessary conditions for foreign literature sales and as a consequence the number of translators for translating our books will be increased.

Building new housing in cities and rural areas with typical projects, improvement of social communal buildings and generally, modernization of our economy are becoming crucial factors in way of developing high morality of our nation. During this process the demand of people for books has also increased, therefore the future of our publishing and printing houses will be great, too.

The following figures are the confirmation of our considerations above.

We analyze the volume of book retail trade into a population income and sales ground by regression procedure.

U – retail trade cycle (per person),

X_1 population income (per person),

X_2 sale grounds (per person),

TABLE 1
FOLLOWING TABLE IS MADE BY STATISTIC DATA:

Year	retail trade cycle (U)	Population income(X1)	Sales ground(X2)
2005	104	258000	0,1
2006	209	328500	0,202
2007	305	435500	0,232
2008	476	567000	0,282
2009	651	718700	0,332
2010	891	1263400	0,7
2011	1250	1579800	1,2

2012	1340	1980200	1,5
2013	1541	2376600	1,6
2014	1652	2736400	1,9

TABLE 2
THEN FOLLOWING RESULTS ARE TAKEN BY "REGRESSION" ANALYZE EXCEL PROGRAM:

FINAL TOTALS

Regression statistics	
Diversified R	0,983640221
R-square	0,967548085
Normalized R-square	0,958276109
Standart error	117,2560891
Monitoring	10

Multiple regression = 0.98 so that means monitoring results are connected linearly. U with x_1 and x_2. (R-squared) $R^2 = 0,96$ is considered as reliability coefficient.

Normalized R-square – equity ratio. It is considered as reciprocity coefficient of all factors, if there is a case of growth and decrease in coefficient rate, during the process of increasing or decreasing the number of factors, the factors influence power will be reduced.

TABLE 3
STANDARD ERROR
ANALYSIS OF VARIANCE OF FACTORS

Analysis of variance					
	df	*SS*	*MS*	*F*	*significance F*
Regression	2	2869465,967	1434732,984	104,3518789	6,1566E-06
Remainder	7	96242,93297	13748,99042		
altogether	9	2965708,9			

	coefficients	*Standard error*	*t-statistics*	*P-significance*	*lower 95%*	*Upper 95%*	*Lower 95,0%*	*Upper 95,0%*

U-к.ч.с	90,9	80,09	1,1360	0,2933	-98,40	280,39	-98,407	280,3
P. income (X1)	0,0005	0,0003	1,6200	0,1493	-0,0002	0,0013	-0,0002	0,0013
Retail trade (X2)	124,2483	436,08	0,2849	0,7840	-906,92	1155,4	-906,9	1155,4

Equation according to the correlation coefficient:

U=**90,994+0,0005*X₁+124,24*X₂ - main equation**

$$U = 90{,}994 + 0{,}0005 * X_1 + 124{,}24 * X_2 \text{ - main equation}$$

Followings are taken as the result of equation. Retail trade volume has correlation power regarding to retail trade sales   and population income growth rate, which are equal to 0.0005 unit and 124.24 unit, respectively. It means that, the growth of population income to one unit or one soums will increase book retail trade by 0.0005 unit or 1 kopeck. However as the result of the expansion of books retail trade grounds by 1 unit or a square metre, the amount of books retail trade will rise by 124.2 unit or soum[14].

TABLE 4
THERE IS FORECAST OUTCOME OF BOOKS RETAIL TRADE FOR 2025
ACCORDING TO THE RESULTS ABOVE.

Year	Retail trade (U)	Population income(X1)	Sales ground(X2)
2005	104	258000	0,1
2006	209	328500	0,202
2007	305	435500	0,232
2008	476	567000	0,282
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2010	891	1263400	0,7
2011	1250	1579800	1,2
2012	1340	1980200	1,5
2013	1541	2376600	1,6
2014	1652	2736400	1,9

2015	1864	2822707	2,2
2016*	2041	3113306,4	2,4
2017*	2219	3403905,8	2,6
2018*	2396	3694505,2	2,8
2019*	2573	3985104,6	2,9
2020*	2751	4275704	3,1

General correlation in tables.

As a result, consumer commodities' total purchase volume – retail trade cycle has increased by 3.9 times in the next five years, among these figures the rate of purchasing books and other printed materials grew by 4.1 times. That means, the readiness of our population to get education and to participate with their innovative economical products in global integration process is becoming the main factor.

According to the result of our research, there are several conditions on further improvement of book retail market in our country:

- Widely usage of marketing strategies in publishing and printing business(sales promotion, public relations);
- Bring together book sales, printing and publishing activities under one unique system by taking the advantage of German experience in this sphere;
- Development of retail, wholesale and internet trade of books;
- Book advertising should be well developed, especially books should be promoted as the best present.

Our government adopted a special National Program on improvement internet sales. There are the aspects, which consider the development of internet sales on the basis of information modern infrastructure foundation in goods market within the program. However the following factors make an impact on successfully executing the Program.
- The shortage of specialists in the sphere of designing electronic shopping programs and cheaper
- Electronic shopping promotion is very poor;
- The small range of electronic shopping goods and limited circuit of services;
- Bank services has not been adapted to electronic shopping system, yet.

Compared with other goods, sales of books through electronic shopping is more comfortable and cheaper. Nowadays all educational institutions, governmental and nongovernment organizations, enterprises make use of computers, moreover a large number of population are taking advantage of mobile phone services. Therefore, Internet and e-mail advertising must be an important tool to deliver new assortment of goods to customers, and to inform the public about a new product. As there are a lot of opportunities to promotion of new literature via internet, by easily setting up the

necessary information about author, summary and content, price, selling system and address of the book.

The rising of people's culture, especially the younger generation's culture, and enriching of their morality are priority areas of large-scale reforms being implemented in the country. Moreover, consider that the President's decree dated 12 January 2017 "On establishing a commission for the popularization of reading and raising of book-reading culture and for the development of the system of the publication and distribution of books" is a program document for stepping up work in this sphere.

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