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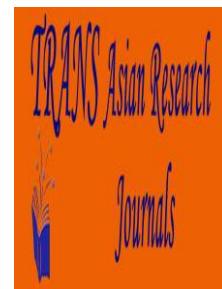
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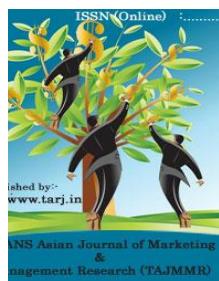


TRANS Asian Journal of Marketing Management Research (TAJMMR)

(Double Blind Refereed & Reviewed International Journal)



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LEADERSHIP STYLE AND ITS IMPACT ON EMPLOYEE'S JOB RELATED STRESS A STUDY BASED ON JAFFNA DISTRICT SECRETARIAT IN JAFFNA DISTRICT, SRI LANKA

Sorubini Murugiah*

*Tutor Mentor,
BBM Online Degree Programme,
University of Jaffna, SRI LANKA
Email id: Sorubini06@gmail.com

ABSTRACT

This research is carried out to find out whether there is a relationship between leadership style and its impact on employees job related stress. Researcher considered Transformational leadership style & Transactional leadership style. This study was conducted at Jaffna District Secretariat office where 100 employees were selected through random sampling method out of two hundred. The data were collected from selected sample. Then these data were presented and analyzed by using statistical techniques (SPSS). These analysis was used to find out (a) Transformational leadership has negative impact on employees job related stress (b) Transactional leadership has positive impact on employees job related stress. Analysis showed negative correlation between transformational leadership & employees job related stress. The positive correlation between transactional leadership & employees job related stress. Further F test, ensured that there is a relationship between two variables. This result is true with 95%. Therefore, it was identified that job related stress of employees has negative impact on their transformational leadership style. That is job related stress; transformational leadership and transactional leadership lead to enhancement of employees' job related stress. T test proved that there is negative relationship between transformational leadership and employees' job related stress at 5% significant.

KEYWORDS: Transformational Leadership Style, Transactional Leadership, Job Related Stress

INTRODUCTION

Leadership is a social influence process in which the leader seeks the voluntary participation of subordinates in an effort to reach organization goals (Omolayo, 2000), a process whereby one person exerts social influence over other members of the group (Bamigboye, 2000). Leadership style is the manner and approach of providing direction, implementing plans & Motivating people. As seen by the employees, it includes the total pattern of explicit and implicit action of their leaders (Newstrom, Davis, 1993). Work stress is the harmful physical and emotional responses that occur when the requirements of a job do not match the capabilities, resources or needs of the work (United States National Institute for Occupational Safety and Health, 1999). Stress has its impact on the general & work life of the employees. It had often been said “A happy employee is a productive employee”.

People in Jaffna experience high level of stress due to prevailing political, economic & cultural problems. I have been heard many times people saying “Very difficult to work in Government offices because in most time have to work more than one boss namely Head of the Department, Political Party & the Government Circular”. Actually the leadership is the issue. An effective leader must make sure the employee to whom he/she is responsible, he never allows for role conflict which leads to job stress. Effective leader leads to several benefits such as, reducing moral stress; create new thinking and innovation which lead them to high level, fresh mind, good relationship, with co-workers, supervisor and employees etc. Leaders have an impact on the stress levels and work life balance of those they lead and, depending on the style of leadership, that impact can be either positive or negative.

This study attempts to identify whether leadership style of the leader affects their employee's stress. Findings of this study could enable, leaders lead their employees well. Through the findings of leadership style and the reduced employee's stress can improve both employees' job satisfaction and performance. This study will attempt to analyze the relationship between leader's leadership style and job related stress. Effective employee depends on many factors. The main factor is favorable leadership style. So the leaders first understand that, their behavior towards employee will have an impact not only their performance but also mental health

Objectives of the study

This study aims to achieve the following objectives.

1. To examine job stress of the employees in District Secretariat of Jaffna.
2. To examine the stress level of employees.
3. To recommend alternatives to reduce the job stress of the employees.
4. To identify relationship between Leadership style and Job stress of employees.

LITERATURE REVIEW

Umer,P *et al* (2012) conducted study to examine the impact of leadership style (Transformational & Transactional) on employee performance & mediating rate of job satisfaction . Result shows transactional leadership was more significant than transformational in creating job satisfaction & Performance.

Amarjit ,G *et al* (2010) conducted a study to examine the impact of Transformational leadership & employee empowerment on employee stress. The results found that the improvement in the level of perceived transformational leadership used by managers and employee empowerment mitigate the job stress of customer contact service employees in the Indian hospital industry.

Jens, R and Wolff S, (2009) tested relationships between transformational, transactional and non leadership styles and facets of chronic stress (i.e., excessive work and social demands, dissatisfaction with work and social recognition, performance pressure, and social conflicts), while controlling for subordinates' demographics and hierarchical level. It was found that one of the transformational leadership scales (i.e., individualized consideration) was negatively related to dissatisfaction. In contrast, the transactional subscale of management by- exception passive was positively related to four indicators of chronic stress, while controlling for all other transformational and transactional leadership styles. Future research should include objective indicators of stress. They recommend Managers in governmental organizations should avoid utilizing the transactional leadership style of management-by-exception passive in order to foster employees' health. The results allow for a more thorough and detailed understanding of leadership behavior, stress prevention, and occupational health.

Work stress is the feeling of tension, discomfort, uncertainty, indecisiveness and distress that a worker experiences as a result of the social and physical circumstances of the work setting. Leaders can reduce these stressors by providing direction and support for their employees (Kreitner & Kinicki, 1998), and this makes style of leadership very important in organizations.

Sosik and Godshalk (2000) reported negative associations between transformational leadership and job related stress, while contingent reward showed no associations.

Work stress is the feeling of tension, discomfort, uncertainty, indecisiveness and distress that a worker experiences as a result of the social and physical circumstances of the work setting. Leaders can reduce these stressors by providing direction and support for their employees (Kreitner & Kinicki, 1998), and this makes style of leadership very important in organizations.

Transformational leadership behaviors are highly active and influence subordinates in a positive way (Bass, 1985). The focus on long term vision, the communication of a sense of purpose and value-based leadership of transformational leaders helps subordinates to reframe stress-related events, i.e. to understand the underlying reasons for stress-related incidents.

Transactional leadership style (Avolio, 2002). We propose that this leadership style helps followers to internalize the expectations of their leader. Thus, contingent reward reduces uncertainty in a complex and potentially stressful work environment. Therefore, contingent reward should be negatively associated with chronic stress.

Transformational Leadership, as one such strategy, has been found to encourage open communication with followers, which in turn, reduces employee job stress. Gill *et al.* and Dhaliwal found a negative relationship between transformational leadership and job stress; that is, transformational leadership reduces employee job stress in the hospitality services industry.

METHODOLOGY

This study based on primary data. Questionnaire is used as a tool for data collection. For the purpose of measuring leadership style the questionnaire developed by Bernard, M. Bass & Brupe & A. Volio is used. This has two variables, such as Transactional leadership & Transformational leadership. For the purpose of measuring stress level the questionnaire developed by Parker & Decotiis (1993) is used. The questionnaire was translated in to Tamil to make the respondent understand well.

For the purpose of data collection, the researcher travelled to the respondent's location (Jaffna District secretariat office) and under the authorization of the administrators the questionnaire was handed out by the researcher to staff administrators (Administrative officer) at each unit. This method allowed the researcher to meet directly with staff administrators and staff to clarify any questions regarding the study and give explanations. 200 questionnaires were issued. Returened is 130. 100 Questionnaires were taken as sample.

Hypotheses of the research

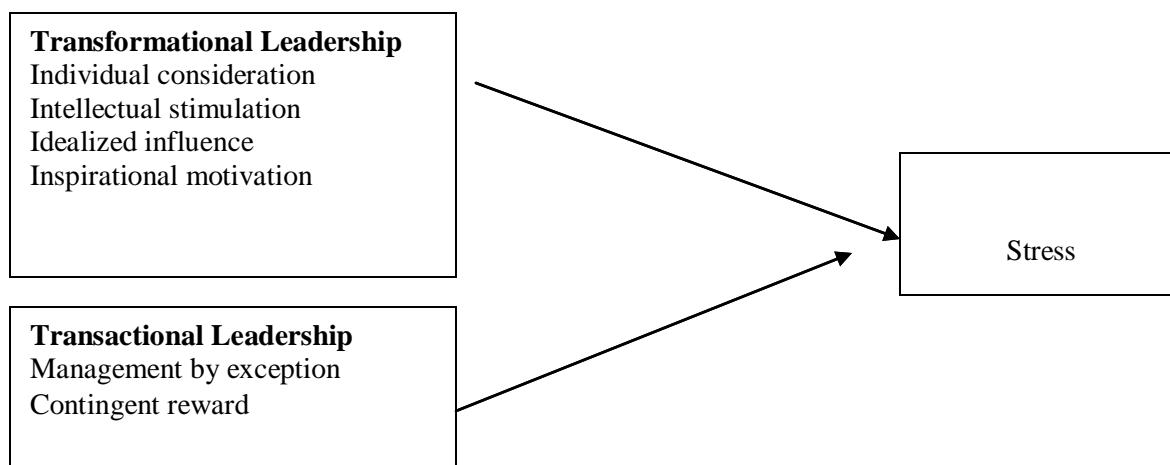
The following hypotheses are formed by the researcher.

H1: Transformational leadership has negative impact on employee's job related stress.

H2: Transactional leadership has positive impact on employee's job related stress.

Conceptualization

The pattern of relationship between the key concepts or variables is shown in a conceptual model



Method of Analysis

Correlations of Transformational leadership and Transactional Leadership factor and Job

		Transformational leader	Transactional leader	Stress
Transformational leader	Pearson Correlation	1	.119	-.233(*)
	Sig. (2-tailed)		.291	.038
Transactional leader	Pearson Correlation	.119	1	.028
	Sig. (2-tailed)	.291		.803
Stress	Pearson Correlation		-.233(*)	.028
	Sig. (2-tailed)	.038	.803	

When the employees' stress is correlated with transformational leadership, correlation is -0.233. As correlation is negative, it can be said that there is a negative relationship between two variables. Therefore, hypotheses (**H₁**) is accepted, that is handling high level of good transformational leadership will lead to lower level of stress to employees.

The relationship between transactional leadership and employee's job related stress correlation is 0.028. So there is not any significant relationship between transactional leadership and employee's job related stress. Therefore hypothesis (**H₂**) is rejected.

Correlations of Transactional Leadership factor and Job stress

Transactional Leadership factor	Pearson Correlation	Sig. (2-tailed)
Contingent reward	- 0.063	0.579
Management by expectation (active)	0.158	0.160
Management by expectation (passive)	0.132	0.244
Laissez faire leader ship	- 0.018	0.872

The relationship between Contingent reward and employee's job related stress correlation is -0.063. So there is not any significant between Contingent reward and employee's job related stress. The relationship between Management by expectation (active) and employee's job related stress correlation is 0.158. So there is significant between Management by expectation (active) and employee's job related stress. The relationship Management by expectation (passive) between and employee's job related stress correlation is 0.132. So there is significant between Management by expectation (passive) and employee's job related stress. The relationship between Laissez faire leader ship and employee's job related stress correlation is -0.018. So there is not any significant between Laissez faire leader ship and employee's job related stress.

Correlations of Transformational Leadership factor and Job stress

Transformational Leadership factor	Pearson Correlation	Sig
Idealized influence attributes	- 0.034	0.728
Idealized influence behavior	- 0.189	0.682
charisma	- 0.219	0.110
Inspirational motivation	- 0.059	0.140
Intellectual stimulation	- 0.435(**)	0.000

The relationship Idealized influence attributes between and employee's job related stress correlation is – 0.034. So there is not any significant between Idealized influence attributes and employee's job related stress. The relationship between Idealized influence behavior and employee's job related stress correlation is – 0.189. So there is not any significant between Idealized influence behavior and employee's job related stress. The relationship between charisma and employee's job related stress correlation is – 0.219. So there is significant between charisma and employee's job related stress. The relationship between Inspirational motivation and employee's job related stress correlation is – 0.059. So there is significant between Inspirational motivation and employee's job related stress. The relationship between Intellectual stimulation and employee's job related stress correlation is – 0.435. So there is significant relationship between Intellectual stimulation and employee's job related stress.

Regression analysis

Transformational Leadership and Transactional Leadership are denoted by "X". The dependent variable employees' job related stress is denoted by "Y". It is also used to estimate value of y while x is increased by one.

Relationships between Transactional Leadership, Transformational leadership & Stress Coefficients (a)

model	Un standardized Coefficients(B)	t	Sig.
(Constant)	43.828	6.743	.000
Transformational leader	-.210	-2.171	.033
Transactional leader	.064	.589	.557

The regression equation $y=-0.210x+43.828$ exhibits that the relationship between Transformational Leadership style & job related stress of employees. If the Transformational Leadership style is $x=0$, the average employees' job related stress is to be 43.828. Further, Transformational Leadership is increased by one; the employees' job related stress will be decreased by 0.210. Therefore it can be said that there is a negative relationship between two variables.

Transformational leadership significance value is higher than significance level of 0.05(significance value0.033), so **H1** hypothesis is accepted.

The regression equation $y=0.064 x+43.828$ exhibits that the relationship between Transactional Leadership style & job related stress of employees. If the Transactional Leadership style is $x=0$, the average employees' job related stress is to be 43.828. Further, Transactional Leadership is increased by one; the employees' job related stress will be increased by0.064. Therefore it can be said that there is a positive relationship between two variables.

Transactional leadership significance value is higher than significance level of 0.05(significance value0.557), so **H2** hypothesis is rejected.

Independent variable	Correlation	R - Square
Transformational leadership and Transactional Leadership	0.242	0.058

Job related stress of employees is correlated with R- Square (R^2) 0.058 explains that only 5.8% variable of stress is accounted for by transformational leadership and transactional leadership. In other words, 94.2% variable of employees' stress is accounted by other variable.

Relationships between Transactional Leadership style & Stress

Model	Un standardized Coefficients B	Sig.
Constant	33.766	.000
contingent reward	-.300	.621
Management by expectation (active)	.520	.177
Management by expectation(passive)	.620	.295
Laissez faire leader ship	-.215	.633

The contingent reward regression equation $y= -0.300x+33.766$ exhibits that the relationship between contingent reward & job related stress of employees. If the contingent reward is $x=0$, the average employees' job related stress is to be 33.766. Further, contingent reward is increased by one; the employees' job related stress will be decreased by 0.300. Therefore it can be said that there is a negative relationship between two variables.

Contingent reward significance value is 0.621.

The Management by expectation (active) regression equation $y= 0.520 x+33.766$ exhibits that the relationship between management by expectation (active) & job related stress of employees. If the management by expectation (active) is $x=0$, the average employees' job related stress is to be 33.766. Further, management by expectation (active) is increased by one; the employees' job related stress will be increased by 0.520. Therefore it can be said that there is a positive relationship between two variables. Management by expectation (active) significance value is 0.177.

The Management by expectation (passive) regression equation $y= 0.620 x+33.766$ exhibits that the relationship between management by expectation (passive) & job related stress of employees. If the management by expectation (passive) is $x=0$, the average employees' job related stress is to be 33.766. Further, management by expectation (passive) is increased by one; the employees' job related stress will be increased by 0.620. Therefore it can be said that there is a positive relationship between two variables. Management by expectation (passive) significance value is 0.295.

The Laissez faire leader ship regression equation $y= -0.215 x+33.766$ exhibits that the relationship between Laissez faire leader ship & job related stress of employees. If the Laissez

faire leader ship is $x=0$, the average employees' job related stress is to be 33.766 Further, Laissez faire leader ship is increased by one; the employees' job related stress will be decreased by 0.215. Therefore it can be said that there is a negative relationship between two variables. Lassie fairer leader ship significance value is 0.633.

Relationships between Transformational Leadership style & Stress

Model	Un standardized Coefficients B	Sig.
(Constant)	51.630	.000
Idealized influence Attributes	.523	.405
Idealized influence behavior	-.527	.377
Charisma	-.524	.497
Inspirational motivation	.660	.348
Intellectual stimulation	-2.380	.001

The Idealized influence attributes regression equation $y= 0.523x + 51.630$ exhibits that the relationship between Idealized influence attributes & job related stress of employees. If the Idealized influence attributes is $x=0$, the average employees' job related stress is to be 51.630 Further, Idealized influence attributes is increased by one; the employees' job related stress will be increased by 0.523. Therefore it can be said that there is a positive relationship between two variables. Idealized influence attributes significance value is 0.405.

The Idealized influence behavior regression equation $y= -0.527x+51.630$ exhibits that the relationship between Idealized influence behavior & job related stress of employees. If the Idealized influence behavior is $x=0$, the average employees' job related stress is to be 51.630 Further, Idealized influence behavior is increased by one; the employees' job related stress will be decreased by 0.527. Therefore it can be said that there is a negative relationship between two variables. Idealized influence behavior significance value is 0.377.

The Charisma regression equation $y= -0.523x + 51.630$ exhibits that the relationship between Charisma & job related stress of employees. If the Charisma is $x=0$, the average employees' job related stress is to be 51.630 Further, charisma is increased by one; the employees' job related stress will be decreased by 0.523. Therefore it can be said that there is a negative relationship between two variables. Charisma significance value is 0.497.

The Inspirational motivation regression equation $y= 0.660x + 51.630$ exhibits that the relationship between Inspirational motivation & job related stress of employees. If the Inspirational motivation is $x=0$, the average employees' job related stress is to be 51.630 Further, Inspirational motivation is increased by one; the employees' job related stress will be increased by 0.660. Therefore it can be said that there is a positive relationship between two variables. Inspirational motivation significance value is 0.348.

The Intellectual stimulation regression equation $y=-2.380x+51.630$ exhibits that the relationship between Intellectual stimulation & job related stress of employees. If the Intellectual stimulation

is $x=0$, the average employees' job related stress is to be 51.630 Further, Intellectual stimulation is increased by one; the employees' job related stress will be decreased by 2.380. Therefore it can be said that there is a negative relationship between two variables. Intellectual stimulation significance value is 0.001.

CONCLUSION

In this research it is found that there is a negative relationship between transformational leadership style and employees job related stress. While, there is a positive relationship between transactional leadership style and employees job related stress. Fair leadership style, promotion, reasonable pay system appropriate work itself and good working condition leads to low level of employees' job related stress. In other words, reducing employee's job related stress has positive impact on their performance

Suggestions and recommendation

Even Though there are several factor affecting employees' job related stress, this research only consider two variables: Transformational leadership and Transactional leadership. Therefore in future conducting a research including all the leadership styles will be valuable. This research is bound to 100 samples only. More samples from different parts of Sri Lanka should be gained to attribute the results to whole population.

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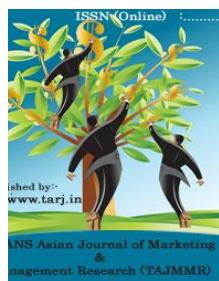
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FEATURES OF THE DIVIDEND POLICY AND THEIR IMPLEMENTATION

Aziza Bakhtiyorovna Sangilova*

*Leading Specialist,
Agency for the Management of State Assets of the Republic,
UZBEKISTAN

ABSTRACT

The article bargains with the hypothetical issues of the arrangement of money related connections with capital proprietors. In commerce, companies utilize different apparatuses for building such connections with proprietors, in this manner shaping a approach for disseminating budgetary comes about. Conclusions almost the significance of profit approach in an flawed advertise and its effect on esteem creation are substantiated. It is concluded that the arrangement formation arrangement of monetary relations with capital proprietors may be a complex and conflicting errand in terms of its objectives. The profit approach related to the dispersion of companies' benefits is shaped in understanding with the arrange of its arrangement and development, as well as the circumstances creating within the showcase.

KEYWORDS: Shareholder; Share Capital; Profit; Dividend; Dividend Policy; Company Value.

INTRODUCTION

Within the handle of arrangement and utilize of money related sources (capital), different financial relations emerge, communicating the financial substance of budgetary connections with the proprietors of the enterprise. The interface of different bunches of partners, such as the proprietors (proprietors) of the company, representatives, speculators, banks, the state spoken to by the official specialists and others, in connection to the organization and in terms of the conditions of capital arrangement, contrast significantly. The proprietors of the company are specifically curious about expanding the fetched of value capital and expanding salary from owning it. Proprietorship of a company, as you know, can be carried out through the securing of shares or the recovery of offers, in case the company encompasses a legitimate frame of organization, other than a joint stock company.

THE MAIN FINDINGS AND RESULTS

By acquiring the company's offers, their proprietor gets to be its co-owner and anticipates getting the desired return on contributed capital. The sum of pay depends on numerous components, such as the budgetary condition of the company, showcase conditions, vital improvement objectives of the company, the competence of supervisors, etc.

The arrangement to these issues is accomplished by building financial connections between the organization and its proprietors, that's, by building a viable profit arrangement.

Much consideration is paid to the issues of profit arrangement in created nations. Hypothetical considers consider this handle alongside others from the angle of its impact on the advertise esteem of the company and the welfare of the proprietors. Maximizing the value of commerce and its esteem to proprietors is the most objective of administration nowadays.

For example, the Code of Corporate Governance of the Republic of Uzbekistan, the dividend policy is based on the following basic principles [1, 2015]:

- ✓ the guideline of straightforwardness, which suggests the definition and divulgence of data on the commitments and responsibilities of the parties included within the usage of the profit approach, counting the strategy and conditions for making a choice on the installment and sum of dividends;
- ✓ the principle of convenience, infers the foundation of time limits within the usage of profit payments;
- ✓ the guideline of legitimization, which infers that a choice on the installment and sum of profits can be made as it were on the off chance that the Company accomplishes a positive money related result, taking under consideration improvement plans and its speculation programs, based on the genuine money related circumstance of the company;
- ✓ the rule of reasonableness suggests a guaranteeing break even with rights of shareholders to get data around the choices made on the installment, sum and strategy for installment of dividends;
- ✓ the rule of consistency suggests strict compliance with the methods and standards.

The most issue within the arrangement of the profit arrangement is the issue of choosing such a profit arrangement, which would incorporate the substantiation of the ideal extents between the stores apportioned for extended generation and the owners' profits. The superseding issue of profit approach is how to accommodate shareholders with require for satisfactory financing for development. If most of the benefits are paid within the frame of profits, at that point less stores stay for advancement. In turn, an increment in benefits coordinated to self-financing of advancement involves diminish in inside development rates, which forces limitations on the development rates of deals volumes. In this manner, the advancement and execution of a profit arrangement is one of the vital ranges of movement of a monetary director and requires a profound understanding of the components impacting it, as well as the relationship with other administration choices.

A marker of the adequacy of the profit approach in advanced conditions is the detail and adaptability of the set up method for calculating the sum of profits, depending on the budgetary condition and improvement technique of the joint-stock company.

Profit in a joint-stock company is shaped within the same way as in other organizations with diverse organizational and legitimate forms of possession - within the shape of the contrast between the continues from the deal of items (works, administrations) and the comparing charges and costs of generation (deal) of these items (works, administrations). Each joint-stock company separately decides the method for calculating, favoring and paying profits to shareholders. The choice on the dissemination of benefits is made by the board of chiefs; such a choice is endorsed at the common assembly of shareholders [1, 2015].

The dissemination of benefits is carried out within the taking after arrange: portion of the benefit goes to grow generation, the arrangement of a save finance, fortifying installments to the administration of the joint-stock company, the other portion is coordinated to the installment of wage on securities: profits on offers and intrigued on bonds.

In general, the concept of a dividend is determined by the Law on "Joint Stock Companies and Protection of Shareholders' Rights" [2, 2014].

In agreement with this law, a profit is the pay gotten by a shareholder from a joint stock company when dispersing benefits on the offers claimed by him in extent to his share within the authorized capital of this joint stock company. Thus, as it were joint stock companies pay profits. In understanding with the Assess Code, a profit is considered to be any pay gotten by a shareholder (member) from an organization when conveying net benefit (i.e., profit is salary on capital contributed by members in any shape of value financing) [3, 2019].

Receipt of profits and their measure depend on the dividend approach sought after within the joint-stock company, which to a great extent decides its part and importance within the company's exercises.

In spite of the assortment of hypothetical angles of profit arrangement, the central put is possessed by the taking after questions: what ought to be the ideal sum of profits? How does the advertise assess those companies that pay huge profits to their shareholders?

In modern conditions, characterized by restricted monetary assets, a genuine approach is required to create a choice on the ideal proportion of held profit as a moderately cheap source of inner financing, and the sum of profits paid, which influences the volume of outside financing. That's why, agreeing to R. Brailey and S. Myers, the issue of profit distribution, in specific profit approach, is included within the beat ten unsolved issues of the hypothesis of back, alongside such issues as the company's chance administration methodology, strategies for evaluating its liquidity, reasons for mergers companies, etc. Until presently, these issues stay the subject of wrangle about among researchers and specialists.

By characterizing the approach of disseminating budgetary comes about, companies in this manner construct connections with its proprietors. It is by and large acknowledged that on the off chance that the proposed venture does not give the desired level of benefit, at that point the net benefit ought to be coordinated to the proprietors for autonomous utilize. Be that as it may, in

most cases, profit approach in companies is built taking under consideration different components, and not just investment opportunities.

Russian legislation gives for cases of limitation of the proper to pay profits by joint-stock companies:

- the authorized capital of the company has not been paid in full;
- at the time of installment of profits, the company is in a state of bankruptcy;
- the net resources of the company are lower than the authorized capital and save fund;
- the company's benefit at the transfer of shareholders is less than the anticipated sum of profits.

In expansion, the limitation on the installment of profits may be due to the necessities of lenders, on the off chance that the commitments to them are not satisfied in full and the installment of profits is opposite to the arrangements of the credit agreement.

The holder of the enroll of shareholders of a company may be this company or an enlistment center. People who keep up the enlist of securities holders are alluded to as enlist holders (recorders).

The responsibilities of the registrar include:

- open accounts for proprietors wishing to enlist with the registrar;
- open individual accounts for ostensible holders of securities on the premise of a take note of task of a claim or an arrange to exchange securities, and when setting value securities - on the premise of a take note from the dealer of securities;
- opportune make the fundamental changes to the enroll keeping system;
- give enrolled proprietors with information from the enroll almost the title (s) enlisted within the enlist of proprietors on the number, category and standard esteem of their securities;
- Carry out exchanges on the individual accounts of proprietors and candidate holders of securities as it were on their sake, etc.

The main methods of settlements with owners today are as follows:

- Dividends in cash (cash dividend);
- Settlements with securities in the form of shares or bonds of additional issue.

Moreover, the recovery of company offers from circulation (share repurchase) serves as a unused device for building budgetary relations with owners.

The recovery of offers can be carried out by acquiring possess offers on the open advertise, through delicate offers, sell off buys, etc.

The most questionable and noteworthy variables deciding the profit approach of the company and the behavior of speculators within the showcase is the level of tax assessment of their pay. The significance of charge separation is affirmed by the authorities' consideration to charge direction of the level of profit installments.

Different countries have distinctive approaches to the issues of setting up assess rates for these two sorts of salary for certain categories of citizens. For case, in Germany and Japan, the wage assess rate is higher than on profits paid; in France the inverse is genuine; within the UK, Australia, Canada, the charge rates on profits are the same. Separation of assess rates in connection to diverse categories of citizens characterizes the truth that the profit approach of companies is frequently built depending on one or another gather of speculators.

Therefore, whereas companies are not required to pay out to shareholders the whole free adjust in each announcing period, at the same time, most expansive companies within the West prefer to pay profits on a customary basis. Within the Joined together States, there was a difference within the level of tax assessment of profits and capital picks up: in 1992, the assess rate on profits was 31%, on capital picks up -28%. In arrange to relieve the antagonistic results of the development in advertise citations; a dynamic scale of tax collection of profits with lower rates was presented. On normal, rates have dropped from 40 to 15%. The Russian Alliance has too changed the tax collection method for profits. With the presentation of the Assess Code, the assess rate on profits was diminished to 6% for people and legitimate substances, as a result of which there was an increment in undertakings that made profit installments. Since there was an increment within the pay of a certain category - shareholders - the alter in tax assessment did not influence the showcase capitalization of undertakings, as a result, since 2005, the assess rate on personal pay gotten within the frame of profits has been increased to 9%, which is still less than the rate on individual salary 13%.

Large financial specialists who pay charges at the most noteworthy rate tend to lean toward to contribute in companies with a better share cost. In any case, little speculators incline toward to have stocks in companies that pay tall profits. The consistency of the composition of shareholders leads to the reality that with alter within the level of profits; the company causes extra exchange costs that are undesirable for shareholders. That's why companies with a lasting shareholder structure favor to have a lasting long-term profit arrangement.

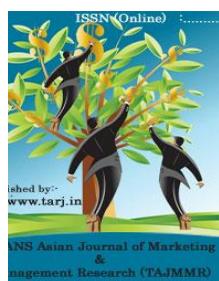
Talking around the most recent inquire about within the field of profit approach, it ought to be pointed out that numerous creators pay consideration to the crave of the biggest organization financial specialists to claim offers of firms that make customary profit installments. At the same time, huge financial specialists have more openings and ways to screen corporate administration, compared to little proprietors.

CONCLUSION

Hence, ready to conclude that the formation of monetary relations with capital proprietors may be or maybe complex and conflicting assignment in terms of its objectives. There's right now no single profit arrangement related to the dissemination of companies' benefits. At distinctive stages of their arrangement and advancement, in several circumstances developing within the advertise companies tend to either increment collection, or increment the salary of shareholders within the frame of profits. These activities are pointed at expanding the venture engaging quality and budgetary and financial exercises of the company as an entirety.

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INNOVATIVE ECONOMY: FACTORS AND CONTRADICTIONS OF DEVELOPMENT, LEVELS OF FORMATION

Zafar Xudoyqulovich Rustamov*

*Tashkent State University of Economy,
UZBEKISTAN

ABSTRACT

The global economic growth nowadays could be characterized by the increasing rate of change. To remain competitive, economic entities must maintain a high rate of innovative activity. Innovations became a main factor of both viability and competitiveness of economic agents. This article reveals the essence of an innovative economy, complex and multilevel, influenced by a huge number of factors, both economic and non-economic. The innovativeness of economic entities is manifested through the ability to generate innovations of all types, of any scale, at all levels of the national economy, which provides an intensive type of development by creating favorable conditions for their implementation.

KEYWORDS: Innovative Economy; Economic Growth, Sustainable Development.

INTRODUCTION

At the present stage of development, the activity of any economic system, regardless of its size, structure and direction of activity, is inextricably linked with innovation. A comparative analysis of the strategic goals of various economic systems allows us to talk about an objective increase in the role of innovative development in the general management system. Large-scale identification of new knowledge in various fields, as well as their combination, entails the emergence of new products and technologies. If an economic system of any scale and type of activity ceases to pay attention to innovation processes, then eventually this will lead, if not to the termination of its functioning as an economic system, then to a decrease in the efficiency of activities.

Despite a large amount of scientific research in the field of innovative economic growth, originating from Schumpeter J., the question of the main reasons and factors of innovative economy, its growth and development is still quite open.

MAIN PART

Innovation is characterized by the novelty, meeting demand and market considerations, business profit. Commercialized innovation is preceded by so-called inventions. In the scientific literature, innovations are understood as new scientific and technical knowledge that did not exist before, obtained as a result of fundamental and applied scientific research, then converted into production experience and intangible assets: scientific discoveries, patents, databases, software, invention, presentation of some ideas that allow solve possible problems (in the usual interpretation, this definition refers to innovations).

An innovative economy, as an economy based on the use of knowledge, should have the following features:

- Implementation of the principle of open innovation (open, full and automated access of any subject about innovations, innovation processes);
- Well-developed infrastructure that provides the creation of national information resources in the amount necessary to support innovative development;
- Developed innovation infrastructure capable of promptly and flexibility to respond to the currently required innovations;
- Established flexible system of advanced training and retraining of personnel.

In order to remain competitive, economic entities must maintain a high rate of their own innovative activity. Innovations of all kinds are both a factor of viability and a factor of competitiveness of economic agents.

Five priorities for the development of an innovation strategy could be identified by general economic legislation, regional policy, technological priorities, composition of federal executive bodies, instruments of the mechanism of state innovation policy, transforming science. Also in the theories of innovative development there is an opinion about the presence of internal objective factors of renewal, which include primary factors-resources and secondary factors processes (see table 1)

TABLE 1. THE MAIN FEATURES OF THE INNOVATIVE DEVELOPMENT OF ECONOMIC SYSTEMS

Key features			Other conditions
Social economic results	Internal factors and development conditions	External factors and development conditions	
- Constantly renewable products - Variable volume production - High, constantly growing efficiency production - Stable or growing	- Developed innovative entrepreneurship - Constantly renewable industrial base - Periodic renewal of the organization and	- High mobility of demand - Formation of new markets of updated products - Developed innovative structure - Availability of the	- Acceleration of all economic and scientific technical processes - High integration of science, education, production and market

profit volumes - Growing production prices and consumption - Growth of wages and income	management - Periodically variable motivation - creative work - Innovative investments - Active innovative and investment activity	national innovative systems	- Active state scientific and innovative politics - Active influence on the renewal of existing needs and formation of new
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RESULTS AND DISCUSSIONS

An adequate methodological tool of formation of the innovation space is the concept of national innovation system as a complex of relations between economic agents regarding generation, distribution and practical use of innovations. In general, the national innovation system is understood as a set of institutions that provide innovative processes associated with specialized scientific direction – the study of the national economy, institutions of science and the results of scientific technical process.

On the one hand, in order to succeed and be among the leaders of the innovative economy the country needs the socio-economic system that contains:

1. Availability of the necessary production potential, or the possibility of its fast creation;
2. High level of technological development;
3. Engaged and effective support for research, development and creation of new industries.
4. The optimal level of cooperation of work with companies from the leading countries in technological order.
5. Experience in high-quality implementation of investment mega-projects with high innovative value.

On the other hand, systemic problems generated by the peculiarities of the development of the CIS economy, mental characteristics of the people, established institutions of regulation often hinder the required level of development. In the work of the famous researcher of Soviet science Lauren Graham "Can Russia compete? The history of innovations in tsarist, Soviet and modern Russia" on a large number of real facts have proven that over the centuries Russia and post-Soviet countries has been creating very good technologies, but "almost never gets economic benefits from them and usually unable to maintain progress in this technological area". The peculiarity of the CIS model of innovative development is the model simultaneous intellectual superiority and technological weakness when impressive technological inventions are met with failure to develop them into quality of innovation. Among the main barriers to actual implementation new ideas, turning them into innovations over the past 300 years could be distinguished the following:

1. Society's attitude to the commercialization of scientific ideas. The CIS society has always shared the concept of 'innovator' and 'an entrepreneur'. The idea of that making a profit from technological innovation is a worthy business respect – began to spread only recently.
2. Political regime when the leaders often ignore the laws of the market and the best world practices. Technology can be optimal, and their development is maximal only in conditions of democratic legal society.
3. Social barriers. Low social mobility of the population
4. Legal system. The Problem of formation of patent law protecting rights of inventors and guaranteeing them some income.
5. Corruption and crime.

Therefore, you can join Pogrebinskaya E.A., which in work "Methodology for creating an innovative environment and the choice of an innovative transfer" identifies the factors influencing innovation activity both from the point of the promotion of innovation and in terms of discouraging: economic, technological, political, legal, organizational, socio-psychological and cultural.

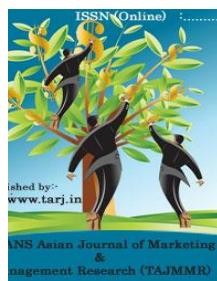
CONCLUSION

The innovative system ensures the integration of the scientific organizations with the institutions of the real sector of economy. In fact, the innovation system is an adaptive environment, built and formed by the national (regional) country's economy. The state of the innovation system reflects the level and degree of development economy, and shows the role of innovation in increasing competitiveness of the economy.

Continuity of innovation, involvement of a large number of participants, a shift in innovation activity towards organizational and management innovations are the hallmarks of modern innovation processes.

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DISTINCTIVE FEATURES OF NATIONAL AND INTERNATIONAL ACCOUNTING FOR INTANGIBLE ASSETS

Amir Melikulovich Khudaykulov*

*Lecturer,

Department of Finance,

Termez State University, UZBEKISTAN

Email id: amir7x@mail.ru, xudoyqulova@tersu.uz

ABSTRACT

This article highlights the differences and similarities in the bookkeeping of intangible assets according to national and international accounting standards on an analytical basis. In accordance with IAS No.38, intangible assets include computer software, patents, copyright, cartoons, customer lists, mortgages, fishing licenses, airport landing rights, production quotas, music and film publishing, rights of ownership, customer and supplier relationships, customer loyalty, market share of the business entity, title names(titles), publishing names and business development costs, franchising, copyright, derived formulas and brands.

KEYWORDS: Intangible assets, national accounting standard, international financial reporting standard, revaluation, depreciation, goodwill (firm price), off-balance account, franchising, copyrights.

INTRODUCTION

As we talk about national and international standards of accounting, we mustn't forget that these standards serve as a legal basis for the systematic regulation of the legal, civil and accounting and reporting situations that arise in the financial and economic activities of enterprises.

MAIN PART

It should be noted that in the Republic of Uzbekistan, our national standard governing the accounting of intangible assets is registered under No.7, and the international accounting standard under No.38 and they have distinctive and similar aspects according to specific features [1;2]:

RESULTS AND DISCUSSIONS

For instance:

1. The international accounting standard No.38 named “Intangible Assets” specifies that, unlike our national standard, some intangible assets, such as CDs, movies, licenses or patents with licensed computer software, are kept in material form even though they are intangible assets.
2. In accordance with IAS (International Accounting Standards) NO.38 named “intangible assets”, the costs of advertising, training, starting a business, research and experimental work are considered intangible assets because they require mental labor. And in accordance with IAS (International Accounting Standards) No.7 “intangible assets”, these expense items are not included in intangible assets.
3. If the cost of financial leasing of intangible assets is taken into account in the international standard as an intangible assets, in our national standard these costs are included in the off-balance account 0.15 – “Intangible assets received under the right of temporary use” as intangible assets that don’t have the right of absolute use and its expenses are carried to expense items as current expenses or expenses of the next period.
4. In accordance with IAS No.38 “intangible assets”, intangible assets are non-material assets that have no material substance and are recognized in the economic process and are expected to generate future economic benefits. And in accordance with IAS No.7 “intangible assets”, intangible assets are property that is used for a long time (more than a year) in the process of production, performance of the work, service or sale, but gradually transfers its value to the cost of goods, works and services or current expenses, but property objects that have no material value.
5. In accordance with IAS No.38, intangible assets include computer software, patents, copyright, cartoons, customer lists, mortgages, fishing licenses, airport landing rights, production quotas, music and film publishing, rights of ownership, customer and supplier relationships, customer loyalty, market share of the business entity, title names(titles), publishing names and business development costs, franchising, copyright, derived formulas and brands. These examples are included in intangible assets only if it is determined that they will provide future economic benefits, and goodwill is not intangible asset according to this International standard, but it is recognized as an expense. In accordance with IAS No.7 named “intangible assets”, intangible assets include patents, licenses and know-hows(production secrets), trademarks, brands and industrial designs, software, land and natural resource rights, franchises, copyrights, goodwill and other intangible assets. Also, all intangible assets listed separately belong to the international standard for intangible assets only.
6. In accordance with IAS No.38 named “intangible assets”, it is highlighted the fact that in many cases it is not possible to attach other assets to intangible assets, nor it is possible to replace their components. Our national accounting standard doesn’t deny this fact either.
7. In accordance with IAS No.38 named “ intangible assets”, in determining the cost of separate intangible assets, trade discounts and rebates on intangible assets are deducted and it is noted that the purchase price of an intangible asset should include the amount of import duties, taxes related

to the purchase of the intangible asset and all direct costs associated with making the asset ready for use. Direct costs under this standard include: 1.Direct labor costs paid to employees to bring an intangible asset ready for use. 2.Costs of hiring a professional expert. 3.The cost of verifying that an intangible asset is working properly.

In addition, the international standard specifies that the cost of an intangible asset doesn't take into account the following, including: 1.Expenses for presentation, advertising and the sale of a new intangible asset. 2. Costs of doing business in a new location of with a new clients(including staff training costs). 3.Adminstrative costs and overheads.

8.In accordance with IAS No.38 named “intangible assets”, it is noted that intangible assets received under state grant may be included in the balance sheet at market value or at its initial per value. In our national standard, intangible assets are not accounted for separately from those accepted in this way.

9. In accordance with IAS No.38 named “intangible assets”, it is noted that an entrepreneur may not include expenses incurred during the research phase in an intangible asset. It is noted that costs incurred can be included in intangible assets only if in the next stage, in the experimental design stage, can justify the future economic benefits of these costs. It is noted in our national standard that these facts are taken into account in accordance with IAS No.11 named “Expenditures on research and development” approved by the Ministry of Finance of the Republic of Uzbekistan on December 3, 1998 No.64 and IAS No.7 named “Intangible Assets” don’t apply them.

10.In accordance with IAS No.38 named “Intangible Assets”, it is noted that internally developed brand, title references (titles), publication names, customer lists and like these assets should be recognized as intangible assets. In accordance with IAS No.7 named “Intangible Assets” the initial cost of an intangible asset created by an entity is recognized as the sum of the actual costs of research and development is included in the entity’s balance sheet if, for example, it is a trademark, is recognized as an intangible asset, but intangible assets that do not have an absolute right of use, namely don’t legally belong to the enterprise itself, are not included in the balance sheet of the enterprise, but it is recorded in the off-balance sheet account as a temporary use of property of another enterprise and directed to expense items.

11.In accordance with IAS No.38 named ‘Intangible Assets’, there may be an active market for taxi operations, fishing licenses and production quotas, but not for brands, newspaper names, music and film publishing rights, patents and trademarks. it is specifically mentioned that an active market cannot exist. Because each of these intangible assets is unique. IAS No.7 named ‘Intangible Assets’, does not specify these facts;

12. IAS No.38 named “Intangible Assets” states that amounts that have increased in value as a result of a revaluation of an intangible asset are derecognized when the useful life of the intangible asset expires or is derecognized, as well as when a portion is used by the entity. However, in accordance with IAS No.7 named “Intangible Assets”, the amounts increased as a result of the revaluation of intangible assets are credited to account 8510, Long-term asset revaluation adjustments, and only increase reserve capital;

13. In accordance with IAS No.38 named “Intangible Assets”, the cessation of amortization of an intangible asset shall be made no later than the date on which it is transferred to the write-off group. However, in accordance with IAS No.7 named “Intangible Assets”, the amortization of intangible assets is stopped when the depreciable amount of the asset is fully settled or from the first day of the month following the month in which the asset is derecognized.

14. In accordance with IAS No.38 named “Intangible Assets”, one of the following depreciation methods may be used to calculate amortization of an intangible asset:

1. The straight-line method;
2. Decreasing residual method;
3. Production unit method.

Therefore, in accordance with IAS No.7 named “Intangible Assets”, the following methods of amortization of intangible assets are provided: 1. Straight line (single rhythm) method; 2. Method of production (calculated in proportion to the volume of work performed); 3. Decreasing balance (reducing the balance by double the depreciation rate) method; 4. Cumulative (sum of years) method;

15. In accordance with IAS No.38 named “Intangible Assets”, the amortization expense of an intangible asset is carried to the profit or loss of the entity. However, under IAS No.7 named “Intangible Assets”, the depreciation expense of an intangible asset is carried over the cost of the product or the cost of the item in accordance with the depreciation expense;

16. In accordance with IAS No.38 named ‘Intangible Assets’, the liquidation value of an intangible asset is revised at least once at the end of each financial year and adjusted in accordance with IAS 8 Accounting Policies, Changes in Estimated Values and Errors. However, in accordance with IAS No.7 named ‘Intangible Assets’, if the expected value of an intangible asset is significantly greater, that value is usually determined only once at the date of acquisition or revaluation of the intangible asset;

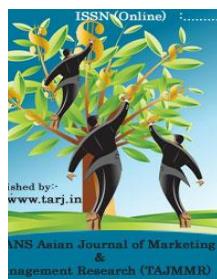
17. In accordance with IAS No.38 named ‘Intangible Assets’, depreciation should not be accrued on intangible assets whose useful lives are uncertain until their useful lives have been determined. However, under IAS No.7 named ‘Intangible Assets’, the amortization rate for intangible assets for which it is not possible to determine and determine the useful life is set at five years. However, this period should not exceed the period of operation of the enterprise.

CONCLUSION

In conclusion, the comparison and analysis of national and international standards for accounting for intangible assets can clearly show us what we need to pay special attention to today in the transition of national accounting to international accounting standards, as well as the internationalization of our tax legislation. In accordance with the requirements, but without denying the consciousness, will and objective needs of our people.

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“SUSTAINABLE SUPPLY CHAIN MANAGEMENT – CHALLENGES AND EMERGING SOLUTIONS FOR INDIAN FOOD PROCESSING COMPANIES”

Ms. Nandini Arun Sawant*; Dr. Appasaba. L.V**

*Research Scholar,
VTU Belagavi, Karnataka, INDIA
Email id: nandinifrancis@gmail.com

**Assistant Professor,
VTU Belagavi, Karnataka, INDIA
Email id: meappu6877@gmail.com

ABSTRACT

This paper reviews the opportunities available for processed food products to boost consumers to eat healthier and more nutritious diets and motivate more to invest in more sustainable manufacturing and distribution systems. This process will develop processing firms procurement systems based on more sustainable forms of agriculture. The important factors in developing more sustainable supply chains are known as the type of supply chain implicated and the individual business approach to extending responsibility for product quality into social and environmental performance within their own supply chains. Interpersonal trust and working to standards of supply chain participants are both important to build more sustainable local and many conserved food supply chains. This also leads inadequate to transform conventional agriculture and raw material supplies to the manufactured and commodity food markets. Cooperation among food manufacturers, retailers, NGOs, governmental and farmers' organizations is vital in order to raise standards for some supply chains and to enable farmers to adopt more sustainable agricultural practices. Sustainable Supply Chain Management of processed food companies also Contains quantitative models and tools that address the interconnected areas of the food supply chain, Synthesizes academic literature related to sustainable food supply chains and also Deals with interdisciplinary fields of research (Industrial Systems Engineering, Food Science, Packaging Science, Decision Science, Logistics

and Facility Management, Supply Chain Management, Agriculture and Land-use Planning) that dominate food supply chain systems and operations. In this paper it is cleared that there is no specific strategy or instruction for sustainable supply chain but, this concept is dependent on strategic approach of the managers, employees and environmental conditions. In particular, sustainable development in food service industry is very important because of its impact on modern dietary life and the environment through complex supply chains. The study focus on different challenges and emerging solutions to develop a sustainable processed food supply chain. Having a sustainable food supply chain can help the food industry not only contributing more to the environment protection and improving the markets, but also increasing the safety of the food they can produce and provide. This is becoming more and more important in domestic food market. There are many processes that play important roles in building a sustainable processed food supply chain, the processed food logistics is one of the most important aspects to be improved.

KEYWORDS: Sustainable Supply Chain Management (SCM), Agro-Food Industry, Food Processing, Logistics

1. INTRODUCTION

Food is one of the industries where sustainability issues are intrinsically embedded because of the amount and variety of natural resources usage, human requirements for basic nutrition, and communities depending on food production for survival. However, improving sustainability in the food industry requires engagement of actors worldwide, in order to cope with the challenges of consumer expectations, limited resources, international policies and regulations. Sustainability and corporate stewardship are a social ideal and a business necessity. Being sustainable is now a source of competitive advantage and a matter of corporate survival rather than a costly inconvenience. Many food processing companies and marketers, especially in the developed countries, embrace sustainability as a topline priority. However the dream of doing good works and making a good profit will go unfulfilled unless orderly supply chains literally and sustainably —deliver the goods. As a result, many food processing units are looking to their sustainable supply chains to deliver the innovative results needed to meet these expectations. In fact, sustainable supply chains in general and green sourcing in particular are quickly becoming the primary focal points for improving profitability while building a company's sustainable credentials. In food industry, this is more important because the food products are directly linked to the environments and the daily life of people.

2. LITERATURE REVIEW

2.1: J. Christensen, issue 8, 2008 in their paper on A Practical Guide to Green Sourcing supply chain management review, focus on climate change and environmental pollution have become a controversial international issue, in which logistics and manufacturing activities are playing the major role.

2.2: Cooper, M.C., Lambert, D.M., Pagh, J.D. (1997). in their work on “Supply Chain Management: More than a Name for Logistics”, reflects on the existing supply chain architecture of the Indian Agrifood sector and provides areas where concentration is needed for its improvement. The research work is also followed by designing an avant-garde sustainable supply chain model named as “Project Samridh Bharat” for Indian Agri-food sector.

2.3: Cooper, M.C., Lambert, D.M., Pagh, J.D. (1997). “Supply Chain Management: More than a Name for Logistics”, research indicated that managing the supply chain involves three closely interrelated elements: 1) the supply chain network structure; 2) the supply chain business processes; and 3) the management components.

2.4: Kumar, B.P. (2011). “Supply Chain Management: exploring areas of management research” this paper discuss that the Ventures are trying to minimise cost and maximise customer satisfaction and profit by more effectively planning and managing their Supply Chain Management. The strategic role of logistic and Supply Chain Management in this regard becomes vital, because the focus today is not on meeting the customer expectations, but on exceeding them. The paper provides a conceptual framework of Supply Chain Management, Structure, and Managerial skills, and risk to Dynamic distribution of Supply Chain Management.

3. RESEARCH METHODOLOGY

3.1: Objectives of the study

- To understand the need of sustainability in processed food supply chain in India.
- To study the existing Challenges of sustainable Supply Chain management system of Indian Food Processing Companies
- To study the emerging solutions for sustainable Supply Chain management system of Indian Food Processing Companies

3.2: Research Data

The primary source of the information in this research study is the secondary data. The available information on internet used to complete the dissertation report. All the available Journals, Articles, papers, Books provided necessary information to the research study.

4. SUPPLY CHAIN SUSTAINABILITY

Supply chain sustainability is the management of environmental, social and economic impacts, and the encouragement of good governance practices, throughout the lifecycles of goods and services. The objective of supply chain sustainability is to create, protect and grow long-term environmental, social and economic value for all stakeholders involved in bringing products and services to market.

4.1 Importance of Supply Chain Sustainability

There are numerous reasons why companies start a supply chain sustainability journey. Primary among them is to ensure compliance with laws and regulations and to adhere to and support

international principles for sustainable business conduct. In addition, companies are increasingly taking actions that result in better social, economic and environmental impacts because society expects this and because there are business benefits to doing so. By managing and seeking to improve environmental, social and economic performance and good governance throughout supply chains, companies act in their own interests, the interests of their stakeholders and the interests of society at large.

4.2 Sustainability in the Processed Food Supply Chain

The processed food supply chain is a complex network of activities that include farming (primary food production), processing, distribution, retailing or catering and consumer handling. Agricultural (commodity) and food logistics play a crucial role in the management of the food supply chain. Sustainable food supply chains aim at efficient production, processing and distribution systems that:

- Protect quality
- Assure safety
- Promote fair and transparent distribution of created value along the Food Supply Chain
- Enhance consumer access to nutritious and healthy processed food at reasonable prices,
- Support sustainable development of rural communities, an absolute requirement for food sovereignty.

Sustainability in processed food leads to extension of food shelf life and maximum raw material utilization were the main drivers for the development of a large variety of foods based on a limited number of seasonally available raw materials. Sustainable Food Processing is based on the use of low energy, low-impact processing schemes to produce food with superb quality and nutritional value, close to (or better than) that of a fresh product.

4.3 Sustainable Food Processing aims to:

- Promote the use of local raw materials and ingredients,
- Preserve local food civilization (promote local food recipes)
- Improve product acceptance and healthy food profile (quality, nutritional value)
- Improve product yield (minimize raw material losses)
- Minimize the use of additives, with preference to natural ingredients
- Minimize environmental impact (including that of packaging)
- Exploit (upgrade) food processing wastes to produce valuable by-products or ingredients minimize the use of water (through recovery, recycling and process modifications)
- Minimize the use of energy
- Maximize the use of renewable energy resources
- Minimize processing and distribution costs (achieve low consumer prices)
- Minimize energy demands and product losses (recalls) in the food distribution chain The last task is greatly supported by the development of reliable, inexpensive shelf-life monitoring systems, such as Time-Temperature Indicators/Integrators (TTI's).

5.0 CHALLENGES OF SUSTAINABLE SUPPLY CHAIN MANAGEMENT SYSTEM OF INDIAN FOOD PROCESSING COMPANIES:

India's agricultural productivity has increased by 40% to 500%. Availability of food, however, still remains a major concern because of poor packaging, inefficient traders, absence of sheltered storage and many more factors.

Challenges in the Indian processed food supply chain, the high volatility in the wholesale market ranks number one.

- Owing to the massive size of the supply chain, quality control is another big hurdle.
- Seasonality and availability are also handicaps, although relatively smaller.
- There are limited consolidators available who work with contractual rates; this poses another threat to the fluency of the chain.
- There is no differentiation between the product cost and logistics cost, which results in an increase in the total cost of the products.
- The fragmented nature of the processed food industry is a major obstacle in the entire supply chain as it consists of organised players like hotel chains and catering businesses, and unorganised players such as small food joints and restaurants. This results in an uneven volume demand and supply pattern.
- The involvement of third-party vendors in the supply chain creates a disruption in the flow, resulting in a price increase.
- Sharp fluctuations in food price inflation have raised questions about the functioning of the Indian processed food supply chain itself.
- There is no standard tool or method to assess the fluctuation rate and predict future patterns. Hence the practice of forward-buying is not popular in India.
- The supply chain's lead time in India is impacted to a large extent by the absence of technology.
- The manual labour system in the country increases the cost of importing goods, e.g., the cost of importing a container in India is \$500 as opposed to the \$300 in foreign ports.
- Only 6% of the entire logistics network falls under the organised category in India. The lack of organised logistics acts as a barrier in the transportation of produce from the farms to the consumers.
- The government has introduced 100% FDI in the logistics sector and many organised players like DHL and TNT, among others, are coming in the market, the reach is limited only to the commercial areas. This is due to the poor infrastructure in the remote areas of the country.
- In India, the cold chain has not matured enough to procure products directly from the farmers; it is instead supplied by the wholesalers. This results in many perishable products like exotic processed vegetables/fruits or dairy products losing their quality because of the time it takes to reach the consumers. In turn, it impacts the farmers and the pricing of the product.
- The absence of private players has become one of the root causes of this poor structure.

6.0 EMERGING SOLUTIONS AND SUSTAINABILITY PRACTICES IN FOOD INDUSTRY IN INDIA WHICH HELPS THE SECTOR TO GROW POSITIVELY.

Sustainability Dimension		Example of Practices
Environment	Natural Resources conservation	Animal Welfare: Elimination of cruelty; safe handling, housing, slaughter and transport Soil conservation: Conservation forest, species; prevent soil erosion and pollution, prevent loss of arable land and biodiversity, responsible farming methods (reducing fertilizer and pesticides), elimination of contaminant and pollutant agents Water conservation: reducing water consumption, efficient water use, waste water re-use and recovery
	Green processing, packaging and transportation	Design, materials and packaging: effective design for reuse and recycling, use of design for disassembly and reuse, material reuse and recycle, reducing packaging, using reusable/recyclable packaging Waste: reduce waste and hazardous materials, composting organic waste, producing renewable energy or animal feed with waste, lower disposal costs, damage compensation, recycling Processing and transportation: reducing energy use, conservation of energy, reduce pollution, reduction of fuel consumption
Social	Health and Safety	Improved product quality, food safety, food security, traceability and transparency. Promotion of healthy life styles and local food sources. Safer warehousing and transportation
	Work and Human Rights	Better working conditions that result in higher levels of motivation and productivity and less absenteeism. Training, education, advancement. Regular employment, elimination of illegal and child labor, respect of worker rights, gender equality, freedom of association, safe working conditions
	Community	Donation, collaboration with NGOs, philanthropy, support to the economic development in local communities, educational practices, health care, job training, volunteering, childcare
Economic	Sustainable sourcing	Increasing supplier diversity, confidentiality, eliminating deception and impropriety, transparency, proper purchasing processes (reciprocity, fairness, no power abuse or special treatment), supplier's labor programs, local sourcing that result in shorter lead-times. Environmental and social considerations when selecting, monitoring and controlling suppliers.
	Support partners SC	Profit sharing with actors in the upstream supply chain, premium price payment, support and monitoring for obtaining sustainability certification. Facilitate partners' access to markets, knowledge and technology transfer, fostering financing opportunities, information and expertise sharing.

After Identification of above challenges and emerging solutions of Sustainable Supply Chain Management from Literature of Sustainable Supply Chain Management encourages and enables

organizations to introduce sustainability initiatives into their operations. The literature analysis revealed that challenges and emerging solutions of Sustainable Supply Chain Management can collectively motivate organizations to adopt sustainable food supply chain initiatives. A clear understanding and definition of each identified challenges and emerging solutions of Sustainable Supply Chain Management is provided to address the research gap. This information can be used by practitioners to prioritize their sustainability initiatives and achieve supply chain sustainability goals.

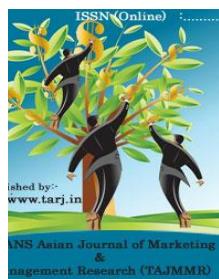
7.0 CONCLUSION

The best infrastructure for storage, sorting and grading is needed. It is important to leverage technology-enabled end-to-end supply chain capabilities to optimise logistics, track fulfillment rates and share live dashboards. The ability to forecast market fluctuations is a must. All these challenges result in higher cost and poor quality. Incorporating the aforementioned solutions can help smoothen the process and make things beneficial for both the stakeholders and the customers. The successful implementation of sustainability strategies, attention must be paid to environmental factors, government regulations and social norms throughout the supply chain from retailer to the customer. Having a sustainable food supply chain can help the food industry not only contributing more to the environment protection and improving the markets, but also increasing the safety of the food they can produce and provide.

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IMPACT OF SOCIAL MEDIA MARKETING ON CONSUMER'S PERCEPTION

Dr Kamini Khanna*; **Pooja Sainath Abhang****

*Associate Professor,

Guru Nanak Institute of management studies,
King's circle, Matunga (E), Mumbai, Maharashtra, INDIA
Email id: kamini.khanna@gnims.com

**Student,

Guru Nanak Institute of management studies,
King's circle, Matunga (E), Mumbai, Maharashtra, INDIA
Email id: poojabhang9@gmail.com

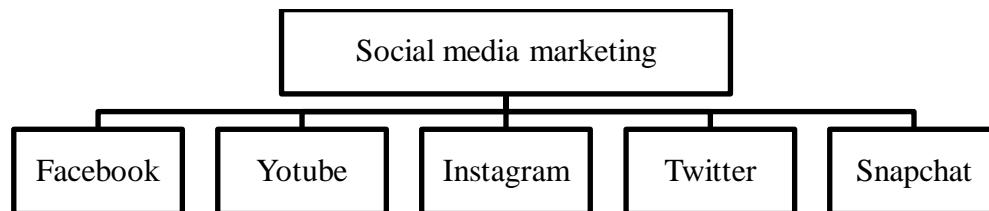
ABSTRACT

The objective of the current study is to examine the impact of social media marketing on consumer's perception also to find association between various factors and consumer's perception. The proposed model was tested in context of various apps like Instagram, Facebook, YouTube, etc. The data was obtained from 260 respondents from a specific region as consumers to measure the total impact. The data was analysed using regression and chi-square model on SPSS software, which indicated a significant association between consumer's perception and some of factors like previous performance, quality of content, location, budget, referrals, etc. While study contributes to consumer's perception on social media marketing, its findings have significant implications on companies who use social media marketing as their advertising tool. This is the analysis of the program prepared to design, build and maintain mutually beneficial exchanges with target markets. The goal of this research is to do an analysis to find that which factor is more effective and sufficient for given study. It revealed that there is significant association between some of the information, credibility variables and consumer's perception; also it is found that there is significant impact of social media marketing on consumer's perception where previous performance is most important factor.

KEYWORDS: *Social Media Marketing, Consumer's Perception, Significant Impact, Credibility Variable, Performance*

INTRODUCTION:

- Along with the emergence of the Internet at the end of the 20th century, the role of businesses and consumers began to change. By the 21st century, consumers began to have a say in the digital world by getting the title of "user". While businesses started to create contents for users, users started to create their own contents on various forums, media and content sharing sites and social networks, and thus they were able to share them with their friends, other users, and even the whole world.
- Social media is used by billions of people around the world and has fast become one of the defining technologies of our time. Facebook, for example, reported having 2.38 billion monthly active users and 1.56 billion daily active users as of March 31, 2019 (Facebook 2019).
- Globally, the total number of social media users is estimated to grow to 3.29 billion users in 2022, which will be 42.3% of the world's population (marketer 2018). Given the massive potential audience available who are spending many hours a day using social media across the various platforms, it is not surprising that marketers have embraced social media as a marketing channel.
- Academically, social media has also been embraced, and an extensive body of research on social media marketing and related topics, such as online word of mouth (WOM) and online networks, has been developed. Despite what academics and practitioners have studied and learned over the last 15–20 years on this topic, due to the fast-paced and ever-changing nature of social media—and how consumers use it—the future of social media in marketing might not be merely a continuation of what we have already seen.
- It is important to consider the future of social media in the context of consumer's perception and marketing, since social media has become a vital marketing and communications channel for businesses, organizations and institutions alike, including those in the political sphere. Moreover, social media is culturally significant since it has become, for many, the primary domain in which they receive vast amounts of information, share content and aspects of their lives with others, and receive information about the world around them (even though that information might be of questionable accuracy). Vitally, social media is always changing. Social media as we know it today is different than even a year ago (let alone a decade ago), and social media a year from now will likely be different than now. This is due to constant innovation taking place on both the technology side (e.g., by the major platforms constantly adding new features and services) and the user/consumer side (e.g., people finding new uses for social media) of social media.
- Social media marketing done by multiple social media platforms which are:



- Instagram, a social network with visual content, reached 1.000.000 users approximately two months after being launched by the App Store in 2010. Twitter and Foursquare reached the same number of users in a year. This also shows that Instagram had a successful rate of growth (Latiff and Safiee 2015). Instagram is named as the "World's Most Powerful Selling Tool" by some people, which indicates the amount of passion and loyalty shown by Instagram users (McCarthy 2014).
- Facebook is the market leader among social networking sites. However, social media users interact with brands on Instagram 58 times more than on Facebook and 120 times more than on Twitter. 53% of adults ranging in age from 18 to 29 years use Instagram. Sharing an Instagram photo with a product or service for sale increases return on sales by seven times. Instagram constitutes the most powerful brand environment in the world (Lindsey-Mullikin and Borin 2017).
- According to 'We Are Social and Hoot suite's 2019' Global Digital Report, Instagram ranks third after Facebook and YouTube among social networks with the highest number of users in the last year, and it has one billion active users per month. The total number of Instagram users based on Instagram's addressable advertising audience is 894.9 million.

LITERATURE REVIEW:

Thomas (2019), discussed and analysed about the importance of position side of social media marketing in the era of social media however failed to show the negative impacts of it in the organisations.

Dahlqvist&Preksaite (2018), discussed in their study that social media marketing for a start-up organisation helps to reach a larger audience in the countries. It provides with effective scope to use various social media mediums to improve brand popularity and recognition in the customers. The return on investment can increase significantly because of the rise in customers influence because of influencer marketing system.

Dijokovic & Strugar (2018) in their study revealed that platforms provide extensive data of different influencers. They are screened by the brands for their high-quality engagement with customers and reach.

James (2017) in his study found that brands and influencers use to amplify their strategies of campaigning and marketing. The common and the most used social media platforms can be considered the best platforms for influencer marketing in the promotional aspect.

Munshi (2012), Digital marketing still involves building out buyer personas to identify your audience's needs, and creating valuable online content. Today, monotonous advertising and marketing techniques have given way to digital Marketing.

Mir and Zaheer (2012) explained through the Social Impact Theory that, marketers now must understand how to position themselves to benefit from fundamental changes that are occurring in the ways people decide on which products and services to consume, and how they actually consume them.

Carlson L. (1994) found that how much consumers trust the celebrity endorser to be credible, when a celebrity endorses one or two products it is significantly more trustworthy than a celebrity who endorses even more products.

OBJECTIVE:

- This research aims to assess the consumer's perception with respect to the range of factors affecting social media marketing.
- To study Impact of social media marketing on consumer's perception.
- To study the association between social media marketing and various variables which explains information credibility

HYPOTHESIS:

- H0: There is no impact of social media marketing on consumer perception.
- H1: There is significant impact of social media marketing on consumer perception.
- H2: There is association between Age and consumer perception.
- H3: There is association between Gender and consumer perception.
- H5: There is association between Quality of content and consumer perception.
- H6: There is association between Target Audience and consumer perception.
- H7: There is association between Engagement rate and consumer perception.
- H8: There is association between Budget and consumer perception.
- H9: There is association between Location and consumer perception.
- H10: There is association between Reference and consumer perception.
- H11: There is association between Previous Performance and consumer perception.
- H12: There is association between Involvement and consumer perception.
- H13: There is association between Interactivity and consumer perception.
- H14: There is association between Argument strength and consumer perception.

DATA AND METHODOLOGY:

In the present study descriptive analysis has been carried out under qualitative approach to study consumer's perception towards social media marketing. Primary data collection was done through a survey by using a questionnaire. Consumer's perception towards social media marketing measured by using 2 and 5 likert scale system. A self-designed structured questionnaire consists of 16 questions was administrated to 260 respondents within age group of 15 to 30 years. The sampling technique used in this study is simple random sampling. The data was analysed using SPSS software and tools included were chi square test and regression analysis. The reliability test is done to know whether selected samples are adequate or not. Variables in the present study: Dependent variable: Customer perception. Independent variables:

Age, Gender, Argument strength, Location, Previous performance, Referrals, Engagement rate, Involvement, Budget, Interactivity, Quality of content, Target Audience.

- The data was collected in month of June-July 2020. The demographic variables on which data taken were from respondents like age, gender and social media app usage. The final sample size respondents were decided based on three thumb rules: Firstly, the ideal sample size should range between 200-400 when SEM is used (Bagozzi& Yi, 2012). Secondly, the most commonly used table of Krejcie and Morgan (1970) was used to determine from the infinity sample. Thirdly, we adopted the rule of thumb: 10:1 where the number of questions or parameters was multiplied by 10 respondents for every one question (Kline, 2015). Therefore, a sample of 260 is considered reasonable and justifiable.
- The Table 1 shows the demographic details of 260 respondents, consisted of 138 (53.1%) males and 122 (46.9%) females, of which more than 80 percent of them using Instagram, YouTube etc. We also derive from the table that the majority of the respondents belonged to the generation 20-25 years.

TABLE 1.DEMOGRAPHIC INFORMATION OF THE RESPONDENTS

Measure	Items	Frequency	%
<i>Gender</i>	Male	138	53.1
	Female	122	46.9
<i>Age Group</i>	15-20	25	2.7
	20-25	209	80.4
	25-30	43	16.5
<i>Social Media</i>	Instagram/YouTube/Facebook	225	86.7
	Twitter/snap chat	35	13.3

Analysis:

Reliability for the questionnaire was calculated through SPSS. The statistics (Table 2) came out as:

TABLE 2 RELIABILITY STATISTICS

Cronbach's alpha based on standardized items

.870

No. of items

16

It is being considered that the reliability value should be more than 0.6, and it can be seen that the reliability value is higher than the standard value, so all items in the questionnaire are reliable for the study.

Descriptive statistics:

- Descriptive statistics is the term given to the analysis of data that helps describe, show or summarize data in a meaningful way. The standard deviation is a measure of the spread of scores within a set of data.

TABLE 3 DESCRIPTIVE STATISTICS

<i>Descriptive statistics</i>	Mean	Standard deviation
<i>Customer perception</i>	2.100	.7588
<i>Quality of content</i>	1.900	.6074
<i>Target audience</i>	2.000	.7427
<i>Engagement rate</i>	2.333	.7581
<i>Budget</i>	2.200	.8057
<i>Location</i>	2.066	.8276
<i>Referrals</i>	2.200	.7611
<i>Previous performance</i>	2.166	.6477
<i>Involvement</i>	2.000	.7427
<i>Interactivity</i>	1.966	.6886
<i>Argument strength</i>	2.100	.9595

Chi-square test:**TABLE 4:A TABLE SHOWING CONSOLIDATED STATISTICAL SUMMARY FOR TESTING OF HYPOTHESIS**

<i>Hypothesis</i>	<i>P-value</i>	<i>Hypothesis</i>	<i>Strength</i>	<i>Decision</i>
<i>H2: There is association between Age and consumer perception.</i>	0.032	Accepted	0.723	Moderate
<i>H3: There is association between Gender and consumer perception.</i>	0.036	Accepted	0.775	Moderate
<i>H4: There is association between Quality of content and consumer perception.</i>	0.042	Accepted	0.423	Moderate
<i>H5: There is association between Target Audience and consumer perception.</i>	0.031	Accepted	0.675	Moderate
<i>H6: There is association between Engagement rate and consumer perception.</i>	0.083	Rejected	0.118	Weak
<i>H7: There is association between Budget and consumer perception.</i>	0.020	Accepted	0.254	Weak
<i>H8: There is association between Location and consumer perception.</i>	0.017	Accepted	0.260	Weak
<i>H9: There is association between Reference and consumer perception.</i>	0.031	Accepted	0.490	Moderate
<i>H10: There is association between Previous Performance and consumer perception.</i>	0.050	Accepted	0.664	Moderate
<i>H11: There is association between Involvement and consumer</i>	0.050	Accepted	0.464	Moderate

<i>perception.</i>				
<i>H12: There is association between Interactivity and consumer perception.</i>	0.098	Rejected	0.063	Weak
<i>H13: There is association between Argument strength and consumer perception.</i>	0.123	Rejected	0.298	Weak

- **H2:** Age of the consumers is found to be associated with the consumer's perception (0.032) and it revealed a moderate association between variable (0.723) 20 to 25 years is most affected age by social media marketing.
- **H3:** Gender of the consumers is found to be associated with consumer's perception (0.336) and it revealed a moderate association between variable (0.775). There are males which used social media more often than females.
- **H4:** Quality of content can be associated with influencer marketing (p value 0.042) and it revealed moderate strength which explains to enhance the results of social media marketing on should more concentrate on quality of content.
- **H5:** Target Audience can be associated with influencer marketing (p value 0.031) and it revealed Moderate strength. Targeting audience is major playing factor in any kind of marketing wherein social media marketing there should be proper agenda to target audience.

For example: To market cosmetic products company should target females as their audience by whom they can get profit.

- **H6:** Engagement rate cannot be associated with influencer marketing (p value 0.083) and it revealed weak strength. Every advertise should have a type of content which engage potential consumers, this study revealed that there is no significant association between both.
- **H7:** Budget can be associated with influencer marketing (p value 0.020) and it revealed weak strength. While marketing on social media platforms or physically a fixed budget is given to each which helps to calculate what and how much content should be added in any advertisement.
- **H8:** Location can be associated with influencer marketing (p value 0.017) and it revealed weak strength. Location and target audience are two variables which have same importance and play equal role in social media marketing.

For example: If a company produces a heater which keeps atmosphere of house hot, marketing of this product should not be done in location like Rajasthan, because it's not useful there.

- **H9:** Reference can be associated with influencer marketing (p value 0.031) and it revealed moderate strength. Referrals are like inviting consumers to use product or service.
- **H10:** Previous performance can be associated with influencer marketing (p value 0.050) and it revealed moderate strength. Previous performance is most important factor because if one company perform well in any social media platform and get successful to get potential

customers as much as possible then on that performance people will engage and await on next performance.

- **H11:** Involvement can be associated with influencer marketing (p value 0.050) and it revealed moderate strength.
- **H12:** Interactivity cannot be associated with influencer marketing (p value 0.098) and it revealed weak strength. Balakrishnan, 2014 in his study also found that there is significant difference between social media marketing in apps like Facebook, twitter, etc.
- **H13:** Argument strengthcannot be associated with influencer marketing (p value 0.123) and it revealed weak strength.

- **Regression:**

- Regression analysis is a set of statistical processes for estimating the relationships between a variable and independent variables.
- Tables:

TABLE 5 MODEL SUMMARY

Model	R Square	Adjusted R Square	t.d. error of estimate
	982	865	802

- The *R* value represents the simple correlation and is 0.982 (the "**R**" Column), which indicates a high degree of correlation.
- The *R*² value (the "**R Square**" column) indicates how much of the total variation in the dependent variable, can be explained by the independent variable. In this case, 86.5% can be explained, which is very large.

TABLE 6 ANOVA

model	Sum of squares	df	Mean square	F	Sig.
Regression	16.012	15	1.067	2.845	.003
Residual	18.388	49	0.375		
Total	34.400	64			

- ANOVA table helps to report how well the regression equation fits the data (i.e., predicts the dependent variable).
- This table indicates that the regression model predicts the dependent variable significantly well. In "**Regression**" row **Significance is 0.003**, this indicates the statistical significance of the regression model. Here, $p < 0.0005$, which is less than 0.05, and indicates that, overall, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data).

Table 7 Multiple Regression analysis

Model	Unstandardized coefficients		Standardized coefficients	Sig.
	B	Std. error	Beta	
(constant)	1.272	0.817		0.289
<i>Quality of Content</i>	.176	.318	.141	0.546
<i>Target Audience</i>	.057	.355	.056	.014
<i>Engagement rate</i>	-.435	.297	-.434	.027
<i>Budget</i>	.163	.255	.172	.007
<i>Location</i>	.055	.265	-.060	.018
<i>Referrals</i>	.126	.224	.127	.043
<i>Previous performance</i>	.470	.462	.401	.027
<i>Involvement</i>	.298	.279	.292	.050
<i>Interactivity</i>	-.154	.282	-.136	.042
<i>Argument strength</i>	-.209	.259	-.265	.036

- The above estimate regression indicates that Interactivity, Argument strength, Engagement rate are negatively related with customer perception whereas others are positively related with dependent variable. Shaista Arshad (2019) revealed that information satisfaction, vividness, entertaining content has significant impact on consumer behavior.
- The results indicate that involvement, previous performance, referrals, location, budget, target audience and quality of content significantly have an impact on customer's perception where others cannot.
- The relative importance of independent variables is obtained by standardized coefficient of Beta. In present case it shows that previous performance is relatively more important as its value 0.401 which is maximum amongst all. Varamontri (2019) found that there is significant impact of variables like Information search, satisfaction level, and purchase decisions on consumer's behavior. So, the researcher found that there is significant impact of social media marketing on consumer's perception. Hence, Hypothesis H1 is accepted

MANAGERIAL IMPLICATIONS, SCOPE OF STUDY, LIMITATIONS:

- Previous performance is the most important and affecting factor so, concentrating on each delivery of content with supreme quality is most important. Audience who is being targeted for any content is important, delivering right content to potential customers is important.
- The main limitation of the study is confinement to the Mumbai only. Future studies can be carried out different parts of the country. On the other hand, the secondary information

available was very limited. There were not enough authentic and relevant journals, books and articles available to support the study with great detail.

- From the result evaluated in the study, it can be stated that the study is very comprehensive and can be elaborated with the help of more qualitative and quantitative research. Availability of more relevant secondary sources of information would help to contribute more depth and explore further on the research topic. The research widens scope for future study on some other factors influencing marketing. Some suggested factors are on-brand messaging and content quality and previous performance can be considered for further study in the future. It would help to analyze the factors affecting influencer marketing in more detailed and explained manner. Thus, with more availability of resources and time, there is further scope for the study of this research to understand the effectiveness and importance of influencer marketing for firms.

CONCLUSION & DISCUSSION:

In order to conclude, it can be said that social media marketing strategy plays an important role for any organization. Apart from that, the study also provided a brief detail about the social media marketing strategy. Thus, it is inferred from the study that social media marketing is the strategy that is mainly responsible for identifying the people who have strong influence on the target audience as well as brand's industry. It is further observed that in a social media marketing strategy, a brand is responsible for forming partnership with the social media marketing and in the meanwhile, the influencer is agreeing to expose the audience to the content of a brand. In addition to that, the current study also shows the importance of social media platforms and their effect over the attitude of any consumer. From the entire study, it can also be observed there is a major impact of previous performance on consumer perception. By making the contents authentic, an organization can earn a huge profit and thus achieve competitive advantage. In the above study, a survey is analysed with the help of regression and chi-square module in SPSS tool which shows how the consumers are responding to various aspects. In this context, the research questions can be answered by linking the gathered data with the objectives of the study in a systematic note. From the information gathered and knowledge developed from the study, it has been found that the success of marketing by using social media does not solely rely upon the target audience and previous performance i.e. popularity of the platform or the strategy adopted by the brand. It is the communication of the brand, reputation of the brand and the quality of products offered by the organisation that plays an important role. In this research it focuses on the result to link them with objectives to ensure they are fulfilled and provides effective results on the ways firms can improve their marketing system using social media platform.

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