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Journal writing is a voyage to the interior.
Christina Baldwin

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From the Editor's Desk

It is a great pleasure to release the volume 7, Issue 3 of International Journal on Global Business Management and Research. Unlike our previous issues, this issue also has brought highly productive and standard papers for the benefit of the readers.

Each of the papers discussed is significant in its own way. The papers on cultural tourism, creative cities and managing creativity are unique contributions to add value to this issue of our journal. Statistically significant papers with reference to discriminate analysis, confirmatory factor analysis, and effects of exchange rate also have added flavor to the existing taste of knowledge spread through this issue.

We are very thankful to our contributors and readers of our journal worldwide, without whose patronage this wonderful journey may be impossible. We welcome innovative contributions from corporate members, academicians, and researchers across the globe to contribute and benefit from our journal.

Thanks and Regards
Dr.K.R.Sowmya

The art of writing is the art of discovering what you believe

- Gustave Flaubert

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A Literature Review in the Chronology of Corporate Governance Evolution in India

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Abstract

Prevailing in some form or the other corporate governance gathered significance across the globe. Corporate governance is probably as old as the corporate entity and has been in existence in some form or the other right from the inception of the corporate world. Every country has their specific requirements for corporate governance and hence implements a variety of legislations and forms Acts specifically applicable to them. India also has a separate set of Corporate Governance practices suiting its economic environment which have evolved over a long period of time. The present paper is an attempt to compile India's long and eventful journey of evolution of corporate governance.Owing to the legacy from the British government and its own corporate structure, India after independence had struggled a lot to frame a unified piece of law for corporate governance. The paper discusses the challenges in developing a unified set of rules for corporate governance and also summarises various literature available on the emergence of corporate governance to its presentstate and tries to extanta comprehensive summary. The paperhas thrown light on various committees formed to develop corporate governance in India starting from CII's voluntary disclosure to present Companies Act 2013 and revised Clause 49 of listing agreement (2014). It also discusses briefly the contribution of each committee on corporate governance in India.

Keywords: Corporate Governance, voluntary norms, mandatory norms, SEBI, disclosure practices.

I. Introduction

Corporate governance has been a vital phenomenon in ensuring greater transparency of the enterprise. The subject has acquireda lot of attention; therefore myriads of definitions have been developed on the subject. Few of the popular definitions have been quoted here.

The OECD Principles of Corporate Governance states, "Corporate governance involves a set of relationships between a company's management, its board, its shareholders and other stakeholders. Corporate governance also provides the structure through which the objectives of the company are set, the means of attaining those objectives and monitoring performance are determined".Sir Adrian Cadbury, The Committee on the Financial Aspects of Corporate Governance defined, "Corporate Governance is concerned with holding the balance between economic and social goals and between individual and communal goals. The corporate governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporations and society".

Corporate governance in India found its birth during the liberalization period in the 90s. It started as a measure that could be adopted voluntarily by the Indian Companies whether the PSUs, MNCs or Indian companies. This voluntary measures brought out by the Confederation of Indian Industry (CII), soon took form of a mandatory status during the early 2000 by bringing out of Clause 49 of the Listing Agreement. This mandatory status required all companies, especially those listed with the Stock Exchange to comply with the norm. However, in 2009 the Ministry of Corporate affairs made a flip turn and introduced a set of guidelines for corporate governance which were voluntary. The upcoming sections will trace the chronological evolution of corporate governance in India.

Challenges Faced by the Indian Economy

From independence of the country in 1947 to around 1991, India had a socialist overview wherein socialist policies were adopted by all the governments. India inherited its legislation and acts from the British but were changed to suit the domestic requirement. Although inheriting a balanced view of corporate policies from the British, the country could not cash on it. The prime sources of capital for all private companies were the nationalized banks and foreign competition was not encouraged. Corporate governance was almost non-existent with public companies and thus having almost zero disclosure standards as laid down by the Companies Act of 1956 which was the 'mother' act.

The year 1991 saw the start of a new chapter with economic liberalization which simultaneously paved way for corporate governance. Corporate governance has impact on the profits, growth as well as the sustainability of a company. It is an offshoot of the culture within the company, its policies, ethics and values.The Security Exchange Board of India (SEBI) was formed in 1992 to regulate the unprecedented growth of the Indian economy. The growth of the economy also saw the launch of the initial major corporate governance initiatives focussing primarily on the governance environment.

Corporate governance within the domestic Indian economy has only recently been able to gather some heat and has forced the government and the industry to take cognizance of this which was given miniscule importance until now. Once the government and the industry were made to sit up and take note of this, they looked around for laws and models that were being adopted by various economies and eventually turned towards the American and the British economy. Hence, Indian corporate governance is modelled largely on the British and the Americans models. The problem with these models is that their corporate governance would try to focus on the effort of Board to form a bridge between the owners and the management and thus try to delink the board from the CEO (Chief Executive Officer). However, while looking towards the Indian scenario there seems to be a need to understand that here environmental realities are vastly different from those in the United States or Inited Kingdom; our major conflict is not between the owners and the management, it is rather between the shareholders i.e. the dominant ones and the minority ones. Thus, there is a need of disciplining the dominant shareholders.

There are three categories of Indian companies i.e. the public sector undertaking (PSUs) where the government is the dominant shareholder, the multinational companies (MNCs) with the foreign roots holding majority part of the shares and the Indian Family business group wherein family and networks together form the dominant shareholder. The governance issues of all these three are quite different from those in the United States & United Kingdom and hence the Corporate governance model of India, in order to be a success could not simply be cut and paste from that of the Americans or the British and has to evolve gradually taking into consideration the dynamics and uniqueness of the Indian Corporate. There are some studies which have comprehensively captured India's corporate governance journey especially the study of Afsharipour. An attempt is being made in subsequent paragraphs to trace the evolution of corporate governance in India due to the uniqueness that it displays.

II. A Literature Review on the Chronological Evolution of Corporate Governance in India

Corporate governance in India found its birth during the liberalization period in the 90s. It started as a measure that could be adopted voluntarily by the Indian Companies whether the PSUs, the MNCs or the Indian companies. This voluntary measures brought out by the Confederation of Indian Industry (CII), soon took form of a mandatory status during the early 2000 by bringing out of Clause 49 of the Listing Agreement. This mandatory status required all companies, especially those listed with the Stock Exchange to comply with this norm. However, in 2009 the Ministry of Corporate affairs made a flip turn and introduced a set of guidelines for corporate governance which were voluntary. This section traces the chronological evolution of corporate governance in India.

1. **Confederation of Indian Industry (CII)**

In 1998, Confederation of Indian Industry(CII) brought out a set of non-mandatory code of corporate governance. It was probably due to the interest created by the Cadbury Report of United Kingdom and was inspired from the Anglo-Saxon model. 'Desirable Corporate Governance: A Code' was released in April 1998 which was primarily meant for listed companies and was completely voluntary. It aimed at bringing out self-conviction among companies that good corporate governance was a responsibility that the companies owed to their stakeholders.

2. **Kumara Mangalam Committee**

Whereas it was all mandatory until now, it was felt that having a statutory code would be more meaningful hence 1999 saw the next major initiative being undertaken with SEBI setting up the Kumara Mangalam Committee to recommend and promote standards for corporate governance. The Committee suggested that good corporate governance was indispensable and was essential for investor protection. The major recommendations of the Committee were related to board representation, independence and constitution of board audit committees. These were subsequently accepted by SEBI and were incorporated in the Clause 49 of the Listing Agreement of the Stock Exchanges. The clause had two major sections or recommendations: mandatory and non-mandatory.Applicability of the Clause was restricted to all listed companies those having net worth of Rs. 25 Crores and above or to the corporations with a paid up capital of Rs. 3 Crores. It also laid down the responsibility of adopting the recommendations by the Board and the companies' management.

3. **Dr. PL Sanjeev Reddy**

The year 2000 saw formation of a study group under Dr. PL Sanjeev Reddy by the Department of Corporate Affairs (DCA). The aim of the study group was to study ways and methods to 'operationalize the concept of corporate on a sustained basis'. A list of recommendations was given out including establishment of a Centre for Corporate Excellence.

4. **Naresh Chandra Committee**

Subsequently in 2002 after the Enron debacle saw the formation of the Naresh Chandra Committee that was set up by DCA. It was primarily formed to recommend amendment to law involving auditor and client association as well as the role of independent directors. The Committee made recommendations with regard to (a) Disclosures relating to both Finance and non-finance, (b) Independence of the audit and Management oversought by the board (c) Reasons for changing or removing auditors (d) Obligatory rotation of Audit partners (e) Segregating the non-audit services that the auditor were not allowed to perform and were prohibited to do so. (f) Compulsory rotation of the audit partners.

5. **Narayan Murthy Committee**

The fourth committee was set up under chairmanship of Mr Narayan Murthy to review Clause 49 and suggest measures to improve corporate governance standards by looking beyond mere procedures. In view of the failures of corporate governance, it highlighted the need for further reforms. Para 1.6.1 of the Report states that "Recent events worldwide, primarily in the United States, have renewed the emphasis on corporate governance. These events have highlighted the need for ethical governance and management, as well as for the need to look beyond mere systems and procedures. This will ensure compliance with corporate governance codes, in substance and not merely form". The Report focused on corporate boards, their role and structure within the existing

Clause 49. The Murthy committee report was a response to happenings in the United States after the passage of the Sarbanes—Oxley Act (SOX). Clause 49 was in line with the Anglo-American corporate governance principles particularly the OECD principle of corporate governance, Cadbury Report and Sarbanes-Oxley Act.

6. Clause 49 of the Listing Agreement

Clause 49 of the Listing Agreement that is operational at present became an integral part and existent from 31 December 2005. It is called Corporate Governance and was primarily aimed for the improvement of corporate governance in all listed companies. It has mandatory and non-mandatory provisions.

It has brought into light important segments, each detailing about the following: -Composition and formation of BoD (Board of Directors), Procedure for working of Board, Setting up of an Audit Committee, Fixing of remuneration of various top management personnel especially Directors, management, a statement on Corporate Governance and its compliance and Shareholders, CEO/CFO certification and annual compliance certificates to be provided. Companies not observing with Clause 49 could be penalized and could be delisted. The Indian corporate scenario saw basic two types of managements:

(a) Board of Directors managed Companies.

(b) Managing Director managed Companies, under the basic guidance of the Board.

In Clause 49, for those companies having an Executive Chairman, there is a need of having at least 50 per cent independent directors on the Board. Those with a non- executive Chairman, the need of independent directors were reduced to just about one third. It is also essential that the chief executives and chief financial officers maintain internal controls and implement remedial and risk mitigation aspects towards deficiencies in internal controls.

Other features of the Clause 49 are as under: -

All companies need to submit a quarterly compliance report as per Clause VI (ii) of Clause 49.

(a) There also needs to be a separate section on corporate governance in the annual report and a detailed compliance report. A certificate also needs to be obtained from auditors or practicing company secretaries on compliance of the clause.

(b) It also requires composition of an audit committee and requirement of one of the directors 'financially literate'. All companies listed with the stock exchange were to comply with the clause mandatorily.

(c) Non-mandatory Provisions: Although there are numerous necessities within Clause 49 that are obligatory, however, there are some recommendations in the clause which are voluntary and depend on the company/ firm whether they want to follow them or not. Some of these non-mandatory requirements include: -

- Establishing a separate remuneration committee.
- Making provision for Board Members training.
- Working mechanism for safeguarding Whistle-blower.
- Despatching Half-yearly results.
- Peer evaluation of Board members.

7. Dr J.J. Irani Committee

The corporate governance reforms have since gradually evolved from the Clause 49 (2006). Review of the Companies Act, 1956 was taken up by Ministry of Corporate Affairs under chairmanship of Dr J.J. Irani in 2004. Based on the recommendations, the Companies Bill 2008 was introduced by the government to enable operation of the corporate sector within a regulatory environment. The Companies Bill 2008 was reintroduced as Companies Bill 2009 as it was proposed.

8. The Satyam Setback & Task Force

The year 2009 saw a major setback to corporate governance in the Indian scenario with the mammoth accounting scandal in one of the largest information technology companies, Satyam Computer Services, resulting in arrest of several auditors and replacement of company's directors with government appointed professionals. With the increase in the number of corporate scams a need was felt to reassess the efficacy of the country's corporate governance. CII formulated a task force to examine the efficacy of the corporate governance within the country. The task force classified the Satyam scandal as a one off incident and assured that the Indian corporate governance model was still a viable one ensuring sound and legal processes. The task force also gave out recommendations of a set of voluntary reforms that aimed at achieving a balance between strong governance norms yet not posing an excessive regulation environment. In 2009, a set of voluntary disclosure was set up which had following recommendation:

- Setting up a nomination Committee.
- Setting up a Remuneration Committee.
- Setting up Audit Committee Constitution wherein at least three members are non-executive directors.
- Separating the office of the Chairman from that of the CEO.
- Setting up a whistle- blower protection policy.

9. NASSCOM & The Institute of Company Secretaries Recommendations

Under the chairmanship Mr Narayan Murthy, the National Association of Software and Services Companies (NASSCOM) formed a corporate governance and Ethics Committee. The committee issued recommendations with its primary focus towards the various stakeholders, an audit committee and a policy that would ensure the safety of whistle blower. Following the footsteps of NASSCOM the Institute of Company Secretaries also put forward a set of recommendations. Looking at the initiatives taken by the industry, in 2009 MCA released a set of voluntary measures for corporate governance. Although voluntary MCA stated that this could gradually progress to mandatory. Few of the areas that it attempted to address included:-(a) Independence of Board of Directors along with their responsibilities.(b)Audit Committee, auditors and secretarial audits and (c) Protection and encouragement of whistle blowers.

10. The New Companies Bill

On receipt of several suggestions to the Companies Bill 2009, the Central Government finally made it to draw the bill and subsequently announced a renewed bill. In Dec 2011 Corporate Bill 2011 was reintroduced in the Parliament; however, it was soon withdrawn and sent back for consideration by the Standing Committee on Finance. In December 2012, the Companies Bill 2012 was passed and finally entered the statute book in 2013 as the Companies Act 2013. The Companies Bill 2012 focussed at facilitating business friendly corporate regulation, improving the norms of corporate governance, bring about more accountability both on part of corporates as well as auditors and thus bringing out further transparency within the system and protecting the interests of all stakeholders. Concurrentlyin 2013, SEBI also issued a consultation paper for changes in governance of listed companies based on legislations brought out in the Companies Act 2013. The new provisions are in the direction of strengthening corporate governance in India.

The new concepts brought out in the Companies Act 2013 include: (a) One Person Company, (b) Presence of at least one woman Director, (c) Corporate Social Responsibility Clause, (d) Registered Valuers, (e) Class Action Suits (clause 245), (f) Dormant Company, (h) Serious Fraud Investigation Office (clause 211) and (j) Fast Track Merger.

MCA has recently issued the Companies (Amendment) Act 2015 (Amended Law), amending certain sections of the Companies Act 2015.

11. Revised Clause 49, 2014

In the wake of revision of Companies Act, the Clause 49 was revised. The SEBI circular declared that revised Clause 49 would be pertinent to all companies listed in the stock exchange with effect from October 01, 2014. Some of the mandatory changes include appointment of women director where every company should appoint at least one woman director.

Regarding the training/ familiarizing of directors, the new amendments make it compulsory for the company to train and familiarize directors with their duties, roles and right related with the position of independent directors. The details of such induction program shall be disclosed in the company's website and annual report.

It also has a clause regarding the appointment of the nomination and remuneration committee. The new amendments make it obligatory for the companies to have a separate nomination and remuneration committee that would include at least three independent directors and a chairman who should be an independent director.

The revised Clause 49 also has some voluntary measures. The board has the option to appoint a non-executive Chairman. Companies can disclosure half-yearly financial performance which may include a summary of the significant events. It is still an option for a company to have a separate person for the posts of Chairman and MD/CEO. The companies can move towards a regime of unqualified financial statements. The internal auditor can report directly to the audit committee.

A summary of the chronological events leading to the evolution of Corporate Governance in India has been listed out sequentially in Fig 1.

Fig 1. Chronological Events Leading to Evolution of Corporate Governance in India.

1998
Confideration of Indian Industry

- Non-Mandatory Code of Corporate Governance.
- Inspired from Anglo-Saxon Model.
- Desirable Corporate Governance: A Code - April 1998.
- Aimed at Self Conviction among Companies.

1999
Kumar Mangalam Committee

- Initiative undertaken by SEBI
- Aimed at Promoting Standards of Corporate Governance.
- Recommendations - Board Representation, Independence & Constitution of Board Audit Commitees.
- Subsequently accepted by SEBI & incorporated in Clause 49.

2000
Study Group- Dr. PL Sanjeev Reddy

- Costituted by Department of Corporate Affairs.
- Aim- To Study Ways & Methods to 'Operttionalize Concept of Corporate on Sustained Basis'.
- Recommended establishment of 'Centre of Corporate Excellence'.

2002
Naresh Chandra Committee

- Constituted by Department of Corporate Affairs.
- To Recommend Ammendment to Law Involving Auditor & Client Association & Role of Independent Directors.

2003
Narayan Murthy Committee

- In Response to Passage of the Sarbanes-Oxley Act in United States.
- To Review Clause 49 & Suggest Measures to Improve Corporate Governance Standards.
- Focussed on Coarporate Boards, their Role & Structure withn Clause 49.

2005
Clause 49

- Came into Existence on 31 Dec 2005.
- Aimed at Improvement of Corporate Governance in Listed Companies.
- Laid down Policy on Composition & Formation of Board of Directors, Procedure for their Working, Setting up of Audit Committee, Fixing of Renumeration of Various Appointments, Safeguarding Whistle Blower & Peer Evaluation of Board Members..
- Requirement of Companies to Submit a Quarterly Compliance Report.

2008
Dr. JJ Irani Committee

- Constituted in 2004 by Ministry of Corporate Affairs to Review Companies Act, 1956.
- Companies Bill 2008 Introduced to Operation of Corporate Sector within a Regulatory Environment.
- Reintroduced as Companies Bill 2009.

2009
Task Force

- Constituted by CII to Prevent Recurrence of Satyam Incident & to Examine Efficacy of Corporate Governance within the Country.
- Recommended Setting Up of Nomination Committee, Renumeration Committee, Audit Committe, Whistle Blower Protection Policy & Seperating the Office of the Chairman from the CEO.
- Voluntary Reforms Recommended.

2009
NASSCOM Recommendation

- Formation of Corporate Governance & Ethics Committee.
- Primary Focus towards Independednce of Board of Directors, Stake Holders, an Audit Committee & Safety of Whistle Blowers.

2012
Companies Bill

- Became Companies Act in 2013.
- Facilitates Bussiness Friendly Corporate Regulation, Improving Norms of Corporate Governance, More Accountability & Transparency.
- Includes One Person Company, Presence of atleast One Woman Director, Corporate Social Responsibility Clause, Dormant Company, Serious Fraud Investigation Office, Fast Track Merger & Class Action Suits.

2014
Revised Clause 49

- Became Mandatory.
- Training & Familarization of Directors Mandatory.
- Obligatory to Appoint Renumeration Committee with Independednt Directors.
- Included some Voluntary Measures such as Non Executive Chairman, Disclosure of Half Yearly Performance etc.

III. Conclusion

India has a unique corporate structure. Forming a unified code for a developing economy which has private, public and family-owned business structure is a challenging task. It has taken over 5 decades to form a company law which takes into consideration corporate governance requirements. With the latest inclusion of women director, training of directors and remuneration committee into mandatory category, it would be interesting to see the future of corporate governance course in India. Undoubtedly corporate governance in India has a long way to go especially when it has opened up avenues for large scale foreign investment.

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Relationship between Alternative Work Schedules and Work-Family Balance:An Empirical Study on Listed Leasing Companies in Colombo District, Sri Lanka.

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Abstract

There is an empirical and knowledge gap in the Sri Lankan context on the relationship between alternative work schedules and work-family balance of employees. The main objective of this research was to identify the positive or negative relationship between alternative work schedules and work-family balance of employees in Listed Leasing Companies in the Colombo district, Sri Lanka.The data were collected from a sample of 200 employees in two Listed Leasing Companies in the Colombo district. A structured questionnaire which consisted 32 items based on alternative work schedules and 21 items for work-family balance with five point likert scales were used to collect data. The analysis was done by using univariate analysis and correlation analysis with the SPSS 16.0 version. It was found that alternative work schedules options have a positive relationship with the work-family balance of employees in Listed Leasing Companies in Sri Lanka.

Keywords : Work-Family Balance, Flextime, Flex-place, Shift work, Part-time employment.

I. Introduction

Today in this competitive work environment mostly we can see both parents are engaged in work. When we consider the present work force in many countries we can identify it include more couples, both engaged in paid work have responsibility for the care of children or elderly dependents. Therefore many researchers have proved most of the employees especially dual-career parents who have children and elder care responsibilities face big trouble to balance both demands coming from workplace and home. Time factor make significant impact to work-family balance, because employees feel imbalance in their life when they are unable to meet both demands coming from work-family due to lack of time.

Imbalance in employees' work-family life can be negatively affected to employees' commitment towards the organization. Sample data of United States proved that this work-family inequality is a major problem for the employees as well as employers. Early stages this was consider as a problem related to female employees who under take more family responsibilities comparing to men. But now the findings have identified this is not a problem related to the gender of the employees (Hill, Campbell & Koblenz 1997[1]; Levine &Pittinsky1997[2]; Milkie&Peltola 1999[3]).

Organizations always try to utilise their limited resources effectively and efficiently in order to reach the success. Therefore organizations take necessary steps and decisions to utilise human and physical resources effectively. Therefore we can identify many organizations now consider the concept of employee work-life balance to take the highest employee commitment to the organization. Work-Family balance can be defined in numerous ways. It can be simply defined as the degree to which an individual is able to balance both demands comes from work and family.

To create a balance between work-family lives nowadays organizations operationalize numerous concepts. Alternative work schedules are one of a concept organization follow tosupport the employees to overcome the imbalance of their work-family life.We can define the term alternative work schedules in numerous ways. An alternative work schedule is a working arrangement that allows a variation from the employee's core hours in starting and ending times, but does not change the total number of hours worked in a week. Or it can be define as any one of the range of work structures that changes the time and place that work gets done on anordinary basis. Most of the large organizations pay attention to this concept comparing to small and medium scale organizations. Because they have identified the positive results in using alternative work schedules on organizations work. Some general job flexibility schedules that might be considered include flexi hours, meal time flexibility, part-time work, job sharing, compressed workweek, telecommuting and the virtual office. According to Negrey (1984)[4] when employees have the opportunity to select an available work schedule it positively affect to work-family balance. Stainesand Pleck (1986)[5] found that the employees' capability to change their work schedules decreased and overturnedthe harmful effects of working abnormal shifts that can be impact to the quality of family life among married couples and single parents.

When work schedules are available it suggests the employees have the ability to manage demands of paid work and home responsibilities without a competition.The increasing popularity of alternate work schedules generates the opportunity that workers might choose a work schedule that helps to balance their paid work and individual obligations. Voluntary or involuntary nature of these schedules creates a vital impact to make balance between work and personal life. If the employees have the chance to select the work schedule and control the numbers of days and number of hour's work it may be help to avoid the imbalance of their life. But when the employees have no chance in scheduling the work or when it is involuntary and working nonstandard days and hours may add imbalance to the employees' lives.

This study mainly focuses to investigate the relationship between work schedules and work-family balance among managerial and non-managerial employees in the Listed Leasing Companies in Colombo district, province of Western in Sri Lanka.

Problem Background and Problem of the Study

Having considered above literature if the alternative work schedules are beneficial for employees, then why most of the organizations are less considered to provide this opportunities for their employees. According to Friedman, Christensen and DeGroot (1998)[6] management of most organizations believed work-family balance programs are not a key concept as employees pay more attention to their personal life matters. When different types of work schedules are operationalized within the organization it can create an impact to the employees' performance evaluation. Because due to flexible work schedules employees are not present in the work place all the time. Therefore it can create a difficulty to the immediate supervisor to measure his/her subordinate performance. Friedman et al (1998)[7] mentioned in order to follow up alternative work schedules organizations must change their culture from "face-time" business culture to "results-oriented" business culture. Organizations also must need technical advancements to provide some work schedules such as telecommunication.

Size of the company also can be an issue to provide work schedules. Large organizations comparing to medium and small scale organizations have necessary resources to provide flexible schedules. Current position the employee hold can be also an important point the company should consider to provide work schedules to the workers. Especially for managerial level employees or upper level employees who undertake greater responsibilities need to present in the work place comparing to lower grade employees. It is difficult to mention directly providing alternative work schedules makes a balance between workers work-family life. Because some employees may feel fear to use flexibility as it can negatively affect to their future job promotions. Eaton (2000)[8] and Solomon (1994)[9] mentionedemployees feel fright to utilize family friendly policies and organizational flexibility as it can be harmfully impact to career development of the employees.

Therefore, the research problem addressed under this study is to investigate the relationship between alternative work schedules and work-family balance of managerial and non-managerial employees in the Listed Leasing Companies in Sri Lanka. Considering to the literature following subsequent questions can be derived for the purpose of making straightforward the problem.

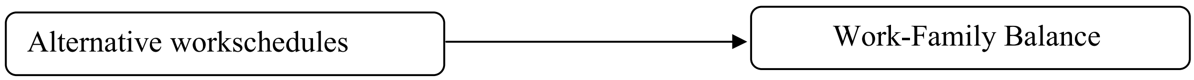
1. What extent alternative work schedules are practices within the organization?
2. Do managerial and non-managerial employees preferred to have alternative work schedules?
3. If workers preferred to have work schedules what type of schedule do they mostly like?
4. Are alternative work schedules able to make an impact on employees' work-family life balance?

II. Research Framework

The conceptual framework of the study is given in Figure 01.

Figure 1: Conceptual Framework

<u>Independent Variable & Dependent Variable</u>



The conceptual framework shown in figure 01 depicts four hypotheses of these two phenomena.

According to many researchers a direct relationship can be observed between alternative work schedules and work-family balance. In this research study four main alternative work schedules are considered as working options. Flextime, Flex place, Part-time employment and Shift work are the main schedules used as independent variables. Based on the management literature it proved the positive relationship between these work schedules and work-family balance. As stated by Fast and Frederick (1996) [10] workers ability to change his/her starting and the ending time of the work reduced his/her time stress. Galinsky and Johnson (1998)[11] revealed that employees who work under flextime were more happy with their jobs, want to continue their job in the same organization and showed more creative ideas than workers with no right of entry to these policies.

Hypothesis 1 (H_1):Flextime is positively related to work-family balance

Working men and women have the opportunity to balance their personal and family related matters by working at home. Kompast and Wagner (1998)[12], Sullivan and Lewis (2001)[13] revealed women working at home tend to spend their more time to family related activities and men tend to use flexibility for additional paid work. According to Hill et al (1998) [14] greater productivity, improve morale and better work-family balance are the main benefits associated with flexplace work schedule. Tele-work provides the opportunity for women to spend more time on home work than those employed at the company location (Silver &Goldscheider1994) [15].

Hypothesis 2 (H_2): Flexplace is positively related to work-family balance

According to Lero and Johnson (1994)[16] low rate of work-family conflicts are associated with part-timers as compared to full time workers. Barker (1993)[17], Lero and Johnson (1994)[18]found that married women who work part-time found greater satisfaction and higher balance between their work and family compared to full time workers. Finally, work by Brown and Bifulco (1990)[19] stated that part-time employment help to reduce the stress level of women who engaged in work comparing to full-time employees.

Hypothesis 3 (H_3): Part-time employment is positively related to work family balance

Employees who spend less amount of time for paid work and the ability to give more attention to family matters are the once who work under shift work. With the technological developments and the growth of 24 hours economy it opens the part to employees to perform their work according to shift. This schedule help employees to balance both demands coming from work and family life by be in two places at once (Presser 1988)[20].

III. Method

This study was conducted in a quantitative design by collecting data through a questionnaire and the two variables were identified and tested based on the hypotheses developed. This study focuses on hypotheses testing and identifying correlation between variables. These types of studies usually explain the nature of certain relationships and explain the variance in the dependent variable. The target population of the study is employees in leasing sector in Sri Lanka. This research study focuses on the convenient sampling as there are many Listed Leasing companies in Sri Lanka and for the purpose of the study the researcher selected only 200 employees from two companies in the Colombo district. Sampling technique used for this study was the convenient sampling which refers to the collection of information from the members who are conveniently available to provide it.

Measures

The data related to the selected sample was collected using the questionnaire method and questions were designed to measure both alternative work schedules variable and work-family balance variable. The questionnaire consists of two main parts. Section 01 is the questions related to alternative work schedules and the researcher originally developed the questions to measure that variable in this research. Responses were taken through five points Likert Scale including strongly agree, agree, neutral, disagree and strongly disagree. It contains 32 statements, which measured various aspects of the alternative work schedules followed by the organizations.

In order to measure the employee work-family balance researcher has abstracted well known questionnaires developed by Ganster and Thomas (1995)[21] and Grandey et al (2005)[22]. And some questions were originally developed by the researcher. Responses are taken through five points Likert Scale including strongly agree, agree, neutral, disagree and strongly disagree. It contains 21 statements which measured various aspects of the work-family balance.

Reliability and Validity

The inter item consistency reliability was examined with Cronbach's Alpha test. The table 1 is given the results of Cronbach's Alpha test which suggest that internal reliability of each instrument is satisfactory.

Table 1: Cronbach's Alpha Coefficients

	Instrument	Cronbach's Alpha
1	Flextime	0.781
2	Flexplace	0.79
3	Part-time	0.8
4	Shift Work	0.849
5	Flextime WFB	0.7
6	Flexplace WFB	0.717
7	Part-time WFB	0.712
8	Shift Work WFB	0.717

The content validity of the instruments was ensured by the conceptualization and operationalization of the variables on literature, and indirectly by the high internal consistency reliability of the instruments as denoted by Alphas.

The construct validity of the variables of the study was ensured by the fact that the correlation analysis support the hypotheses formulated linking the relationship between the independent variable and the dependent variable.

IV. Results and Discussion

Univaraite analysis was used to investigate the responses for alternative work schedules and work-family balance with its dimensions. The results of the univariate analysis are given in Table 2.

Table 2: Descriptive Statistics of Alternative Work Schedules and Work-Family Balance with its dimensions

	Flextime	Flexplace	Part-time	Shift-work	WFB of Flextime	WFB of Flexplace	WFB of Part-time	WFB of Shift work
Mean	3.3300	3.1778	3.1778	3.7733	3.2080	3.5440	3.2080	3.5440
Std. Error of Mean	.05866	.05802	.05802	.06897	.03929	.04917	.03929	.04917
Median	3.2500	3.1111	3.1111	3.6667	3.2000	3.6000	3.2000	3.6000
Mode	3.25	3.11	3.11	3.67	3.20	3.70	3.20	3.70
Std. Deviation	.41478	.41025	.41025	.48767	.27781	.34768	.27781	.34768
Variance	.172	.168	.168	.238	.077	.121	.077	.121
Skewness	-.026	.301	.301	-.606	-1.278	-.490	-1.278	-.490
Std. Error of Skewness	.337	.337	.337	.337	.337	.337	.337	.337
Kurtosis	1.098	.659	.659	1.877	1.874	1.900	1.874	1.900
Std. Error of Kurtosis	.662	.662	.662	.662	.662	.662	.662	.662
Range	2.00	1.89	1.89	2.33	1.35	2.05	1.35	2.05
Minimum	2.25	2.22	2.22	2.33	2.30	2.45	2.30	2.45
Maximum	4.25	4.11	4.11	4.67	3.65	4.50	3.65	4.50
Sum	166.50	158.89	158.89	188.67	160.40	177.20	160.40	177.20

The usage of alternative work schedule options and the work-family balance of employees in Listed Leasing Companies were measure using five point Likert scales. Hence the average mean value is 3.00 ((1+2+3+4+5)/5). If the mean value is greater than 3.00 then the usage of specific work schedule option and the work-family balance of employees who work under the specific work schedule option is high.Table 2 reports the results of the descriptive data analysis of the research variables. Mean value of each work schedule options are flextime 3.3300, flexplace 3.1778, part-time 3.1778 and shift work 3.7733 which indicate the usage of alternative work schedules are high in employees in Listed Leasing Companies. And the mean value of work-family balance of employees who work under different schedule options are flextime WFB 3.2080, flexplace WFB 3.5440, part-time WFB 3.2080 and shift work WFB 3.5440. Therefore, it is indicated that employees have high level of work-family balance.

Table 3: Relationship between alternative work schedule options and work-family balance of employees in Listed Leasing Companies.

Variables	Pearson (r)	Sig. (1-tailed)
Flextime WFB	.696**	.000
Flexplace WFB	.378**	.003

Part-time	.618**	.000
Shift work	.569**	.000

**. Correlation is significant at the 0.01 level (1-tailed).

According to the results of Pearson's Product Movement correlation (Table 3) analysis between flextime and work-family balance of employees in the Listed Leasing Companies, the correlation coefficients is 0.696, which is significant at 1% (p=0.000). Therefore, according to the result of the test, the null hypothesis is rejected and the alternative hypothesis is accepted. Hence the data support the hypothesis that there is a positive relationship between flextime and work-family balance of employees in Listed Leasing Companies.

According to the results of Pearson's Product Movement correlation analysis between flexplace and work-family balance of employees in Listed Leasing Companies, the correlation coefficients is 0.378, which is significant at 1% (p=0.003). Therefore, according to the result of the test, the null hypothesis is rejected and the alternative hypothesis is accepted. Hence the data support the hypothesis that there is a positive relationship between flexplace and work-family balance of employees in Listed Leasing Companies.

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According to the results of Pearson's Product Movement correlation analysis between part-time employment and work-family balance of employees in Listed Leasing Companies, the correlation coefficients is 0.618, which is significant at 1% (p=0.000). Therefore, according to the result of the test, the null hypothesis is rejected and the alternative hypothesis is accepted. Hence the data support the hypothesis that there is a positive relationship between part-time employment and work-family balance of employees in Listed Leasing Companies.

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According to the results of Pearson's Product Movement correlation analysis between shift work and work-family balance of employees in Listed Leasing Companies, the correlation coefficients is 0.569, which is significant at 1% (p=0.000). Therefore, according to the result of the test, the null hypothesis is rejected and the alternative hypothesis is accepted. Hence the data support the hypothesis that there is a positive relationship between shift work and work-family balance of employees in Listed Leasing Companies.

Table 4: Summary of Hypothesis Testing

No	Hypothesis	Value	Remarks
H_1	There is a positive relationship between flextime and work-family balance of employees in Listed Leasing Companies.	r = 0.696, sig = 0.000	Accepted
H_2	There is a positive relationship between flexplace and work-family balance of employees in Listed Leasing Companies.	r = 0.378, sig = 0.003	Accepted
H_3	There is a positive relationship between part-time employment and work-family balance of employees in Listed Leasing Companies.	r = 0.618, sig = 0.000	Accepted

H_4	There is a positive relationship between shift work and work-family balance of employees in Listed Leasing Companies.	r = 0.569, sig =0.000	Accepted

V. Conclusion

According to the findings of this study it is found that flextime if positively related with work-family balance of employees. The research findings of Fast and Frederick (1996)[23], Galinsky and Johnson (1998)[24] supported to confirm the finding of this study. The finding of positive relationship between flexplace and work-family balance of employees is established by the study conducted by Kompast and Wagner (1998)[25], Sullivan and Lewis (2001)[26], Hill et al (1998)[27] and Silver and Goldscheider (1994)[28].The third hypothesis of the study; part-time is positively related with work-family balance of employees was validated through the study done by Lero and Johnson (1994)[29], Barker (1993)[30], Brown and Bifulco (1990)[31]. Finally this study found out that there is a positive correlation between shift work and work-family balance of employee was corroborated by Presser (1988)[32].

Recommendations

According to the results of the correlation analysis, it was proved that there is a positive relationship between alternative work schedules and work-family balance of employees. Work-family balance is one significant area an employer should give attention when creating an environment in which the employees can become emotionally, cognitively and physically engaged. Therefore management should implement more successful flexible work schedule options which help to improve employees' work-family balance. And also, before implementing work schedule options, it is important to access the requirements and expectations of employees. Both employers and employees should exert collective efforts in identifying the ideal mix of benefits that matches employee needs, developing a supportive culture respecting individual needs/values and the continuous evaluation and improvement of organizational flexible work schedule options, to bring in fruitful gains to individual employees as well as to organizations.

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Measuring Effectiveness of Campaigns Using Digital Marketing & Its Impact on Youth

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Abstract

With this era of constant globalization digitalization has taken a front seat. Companies are trying constantly to find the best ways to reach the customers with their digital message. The present study collects the data which focuses primarily on perception, attitude of campaigning via digital marketing & its impact on consumer behavior. The finding clearly shows that digital marketing campaigns are effective and have a strong impact on youth. They consider it to be informative, are aware of the internet usage especially the social media and spend a lot of time on it. The major challenge of digital marketing campaigns are the susceptibility of fraudulent services and privacy issues. Hence, we conclude that there is a need for researchers to take a critical look at the research issues we outlined with appropriate data from observational studies and field experiments. Practitioners and academics can provide the raw material and rigor respectively, and together they can extend our knowledge of the ever changing digital environment.

Keywords: Digital marketing, Campaigns, informative, social media, privacy, consumer behavior

1. Introduction

Digital Marketing

Digital marketing refers to the act of incorporating digital channels to carry out the marketing activities of a certain product or service through the use of offline and online platforms. Digital marketing encompasses various channels of marketing like, radio, TV, phone marketing, search engines, social media platforms, e-mails, websites etc.

The theme digital marketing and its effect on intended customers have been dealt and discussed by various authors and practitioners. Digital marketing and its impact on youth has also been debated and discussed among different studies both in India and abroad. Below literature review presents a combination of studies and their excerpts linking with their subthemes.

2. Literature Review

Using Marketing Basics to Provide Customer Value (Schant, et al., 2017)

Developed a conceptual model of consumer-based brand equity (CBBE) build on the four brand equity dimensions of Aaker (1991), namely, brand awareness, brand image and associations, perceived quality, and brand loyalty and relates these dimensions with electronic word-of-mouth (eWOM) which is adapted to the paradigm-shift from manager-ruled to consumer-ruled brands.Study concluded that the effects of eWOM might solely address a specific product instead of the whole brand in the online environment. In that case, eWOM directly influences purchase decisions, without affecting the appropriate brand equity dimensions, if the consumer strictly separates the product from the general brand.

Social Media Marketing and Cognitive Development in Indian Youth (Bansal, et al., 2017)

The social media networks can be used to create faster marketing communications with the intention to develop a two-way receptive communication with less filtration at every step. Wise consumers are likely to receive process and interpret information in a meaningful manner. Social media is involving and including each and every customer in marketing communication.Therefore, it is easy to understand the attitude and the level of involvement for a particular product. Social media is not found to be gender biased in terms of access but the search of products varies as per gender. Consumers collect, gather, and use relevant information to compare the product in a justified manner.There is a significant relationship between the age of the respondents, their buying patterns, and the actual product purchased. Social media is providing varied and a wide base of products to consumers which in turn brings and develops the cognitive approach among consumers when they use these social media platforms.Owing to the need to gain competitive advantage, implementations of technological developments by firms is often rapid and without thorough deliberation of the pros and cons or ROI (Kannan & Alice Li, 2017)

Customer Satisfaction Factor in Digital Content Marketing(Andac, et al., 2016)
In research, it was found that there was no relationship between gender, age, income, internet usage time or shopping frequency on internet and customer satisfaction level provided by content marketing. In the scope of the research, it was also seen that 3 factors could be effective in decision making phase which are pre-sale, sale, and post-sale. The satisfaction level for content marketing showed no significant difference on gender, income and shopping frequency.

According to the results obtained from research, despite the low awareness of content marketing, it is demanded by consumers. However, both creation of digital content and sharing it in digital media by consumers is relatively low.The satisfaction level in content marketing was determined to show no significance in gender, income and frequency of shopping. But, while almost half of the participants heard about content marketing, 75% of those have not got a single idea what the content marketing is indeed.As a result, whether the consumers know what the content marketing is as such has of no great importance; but rather, what is important is that the given content should be encouraging for them to buy the product and meantime it shall have the quality to turn consumers into customers. Finally, the content marketing should provide companies with securing existing customers and it had better has the potential to attract and gain new ones.

Search Engine Optimization(Baye, et al., 2016)
Search engines are only one of many online platforms where consumers conduct product searches. Baye et al. (2013) note that in June 2012, consumers using browsers conducted 634 million product searches at retailer sites (such as Walmart.com), 134 million product searches at price comparison sites (such as Dealtime.com), and 877 million searches at marketplace sites (such as eBay.com).

70% of eBay's listings were for new products, and over 60% of its listings were through posted prices rather than auctions. Unlike SEO efforts designed to improve rankings at a search engine, SEO efforts to improve a retailer's brand equity can improve the clicks it receives from searches in these other channels. Because these spillover benefits are difficult to quantify, it is easy for those engaging in SEO to underestimate the benefits of investing in the quality and brand awareness of a site.

The Usage of Digital Marketing Channels in SMEs (Taiminen & Karjaluoto, 2015)
The results of this study revealed that SMEs seem not use the full potential of the new digital tools, and so are not deriving benefit from the opportunities they provide. Furthermore, the results also raised the question of whether SMEs have understood the fundamental change in the nature of communication brought about by digitization.SMEs seem not to be keeping pace with digital developments, mostly due to the lack of knowledge of digital marketing. Most of the studied SMEs do not apply the full potential of the new digital tools and hence are not benefitting fully from them.

Digital and Social Media Marketing in Business Education (Crittenden & Crittenden, 2015)
The contribution by Buzzard, Crittenden, Crittenden, and McCarty (2011) explored student and faculty preferences for technology tools in the learning environment. In sum, this set of researchers found that students preferred to engage with their faculty via "traditional" digital tools (i.e., websites, e-mail), while faculty preferred to engage with students via course management systems.

Content Marketing (Baltes, 2015)
Content marketing is the present and especially the future of digital marketing and inherently to marketing in general. Therefore, a digital marketing strategy cannot be successful without having a quality content marketing. Companies need to conduct extensive research on the target in order to create the content marketing that meets their interest.The main role played by content marketing is to inform and educate audiences in order to develop a privileged relationship with them and to determine brand loyalty. To be relevant to your audience and create a powerful brand you must win their trust and admiration. With the creation of valuable content you build interest that transforms into lasting relationships.One of the biggest mistakes in the strategy of content marketing is to omit the analysis of the audience, which can conduct to an erroneous content.

Business to Business Digital Content Marketing (Holliman & Rowley, 2014)
B2B digital content marketing is an inbound marketing technique, effected through web page, social media and value-add content, and is perceived to be a useful tool for achieving and sustaining trusted brand status.Creating content that is valuable to B2B audiences requires brands to take a "publishing" approach, which involves developing an understanding of the audience's information needs, and their purchase consideration cycle. Valuable content is described as being useful, relevant, compelling and timely.Content marketing requires a cultural change from "selling" to "helping", which in turn requires different marketing objectives, tactics, metrics and skills to those associated with more traditional marketing approaches. The article concludes with a theoretical discussion on the role of digital content in marketing, thereby contextualizing the findings from this study within a broader exploration of the role of digital content in marketing and relational exchanges.

Digital Marketing and its influence on Indian Youth
Dunlop *et.* al. (2016) in one of their studies on adoption of social media by youth argued that the youth has adopted social media as one of the routine activities taken up on daily and rather hourly basis. Talking about the health issues and the way the youth is exposed to the promotion and marketing of products (junk food, alcohol, tobacco, etc.) that affect the health adversely, there is a strong need to create interesting contents over the social media that

encourages them to share the information which are aimed at improving the health of adolescents and young adults.

The importance of studying the consumer behavior has also been stressed upon in various studies conducted in the past. It is important to study the youth's behavioral intentions and further its relationship with its social behavior depicted in the advertisements. The youth do not find significance between the ad's informative content and their behavioral intentions which further leads to advertising skepticism. There is a need to develop a link between the peripheral route and the central theme of the advertisements. (Gharara et. al., 2013)

Buzzard et. al. (2011) concluded their study on engagements tools in social media for youth by saying that while the faculty prefer interacting with their students via basic course management systems, in the other hand, the students find it more interesting and information seeking to engage with their faculty over the digital and social tools like e-mail, websites, etc.

In the Indian context, considering digital marketing as an emerging field of business, Aithal et. al. (2018) conducted a research on the Indian private universities. This set of researchers appreciated the efforts being put in by the universities in offering new programs to the students in the field of IT, Management and various other domains. They argued on the fact that none of the universities has started business information science program and advised that a new program may be started, M.Sc. Business Information Science which would include digital marketing, business analytics, e-commerce and other core subjects.

The social media is not gender biased but products that the users search for vary according to the gender. The youth is more information seeking; thus quality standards must be maintained. Further to acquire a good position, the marketers should have a deep focus on the youth and provide them with price efficient products through the online portals (Charan et. al., 2017).

Sivasankaran (2017) in one of his studies addressed the challenges faced by the marketers to study the buying behavior of the youth because the fashion keeps on changing with time and so does the shopping pattern. The study concluded that India stands 5th largest in terms of YouTube users and Indians spend around 14 hours online over a week. The western culture, lifestyle, wealth, employment status etc. are some of the key factors that influence youth's buying behavior. India has around 90 million websites live over the internet while the Facebook profiles count for more than 500 million. All these and many more such factors pose numerous challenges for the marketers. The study concluded that the marketers need to study the changing behavior of the youth to capture the potential market and also to understand how well accessible the digital facilities are to the youth before launching the product online.

While discussing about the pitfalls of digital marketing, Sharma (2012) in one of her studies advocated on few of the negativities that lead the customers especially the youth to bounce as the behavioral intentions keep changing minute to minute. Factors include the time consuming nature of the websites, personal information being shared over the internet as the youth do not want the non-friends to access the same and fear that the content and information may be used against them.

3. Research Methodology

The Main Objectives Of The Study Were -

i. To study digital marketing, its channels and different tools available both online and offline to monitor and boost the growth, reach, sales.
ii. To analyze the effectiveness and impact of digital marketing over consumers.
iii. To identify the loopholes/drawbacks of campaigning via digital marketing

The project involved descriptive research design.Stratified random sampling was used to select the units for the study. The sample was stratified into different age groups and occupation and respondents were randomly selected from each stratum to come up with a representative sample of 100. The data was sampled from the college students, working professionals, home makers/housewives and retired persons.The data was collected through an online survey, the links and invites for which were sent to the respondents through e-mails and WhatsApp messages. The study involved the use of a structured questionnaire to conduct the survey.The survey questionnaire consisted a total of 20 questions out of which four questions were related to demographics (name, e-mail, age and profession).The completed questionnaires were received and the recorded responses were used to analyze the result and arrive at any conclusion.Data was analyzed on the basis of the received responses for the survey questionnaire. The graphical representation of categorical data was done using MS-Excel and MS-Word.

4. Data Analysis and Interpretation

- ***Demographic Profiling of the consumers using Digital Marketing***– Majority of the respondents were between the ages of 18-30 year. 40 % of them were working professional and rest 60 % were college student.

- ***Perception about digital marketing***-The majority of the sample (61%) have a perception that advertisements are informative (26%) may be related to the product or the service, they raise awareness that may be about the product/service or any other environmental/social/political/legal issue and they are also a good source of entertainment because of the innovative characters/ideas they portray. While a very small proportion (6%) think advertisements are only meant for raising awareness and have no relevance with providing information and entertainment.

- ***Source of information for new product releases*** -A very small proportion of the sample (3%) gets informed about the new product releases through newspaper advertisements that may lead to the fact that the people nowadays are not very much attached to reading the printed, physical newspapers.The next 8% receive such an information through their family members or friends. It may be concluded that people do not discuss much about new products being launched or the services being provided among their family members and in their friend circle.The majority of the sample (72%) is connected to the digital world and they receive information about new products and services through digital advertisements online, over the internet, mobile apps, e-mails, etc.

- ***Best channel for marketing*** - A very negligible proportion if sample (3%) perceive that print media is the best source/channel for marketing. This small percent indicates that print media has somewhere lost its reach and people have now adapted different sources for the same. Word of mouth and television (11% each) are still in the list of the best channels of marketing because of the personal interactions occur between people, the feedbacks/reviews that they share about the products/services and television (being one of the digital media though not portable) because of the fact that people are attached to the visual means of communication.The majority, 75% of the sample receive updates regularly on their mobile phones, tablets, laptops so they are more on the digital side.Thus, it can be concluded that digital media is perceived as the best channel/source for marketing of products and services.

- ***Average Time spent on radio, newspapers, television and internet/digital platforms daily-*** The result shows that people spend a very less time of 0 to 30 minutes listening to radio. This may be when they are driving to a location or in their leisure time to feel afresh.

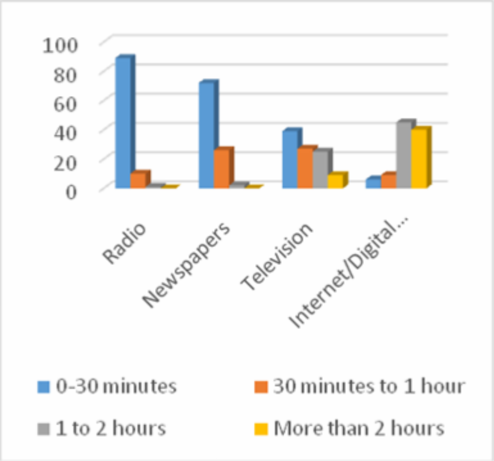


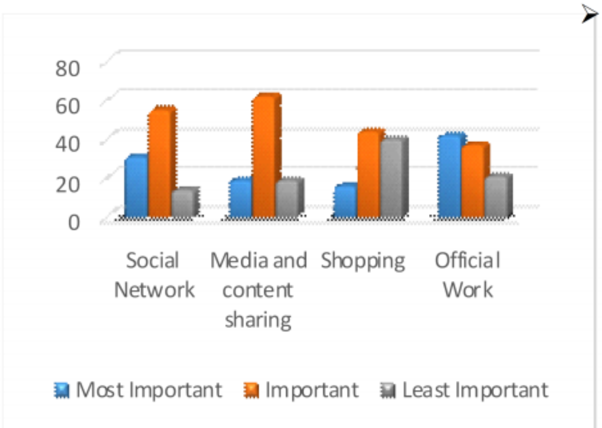
Figure. 1

The next group is the one who spends 30 minutes to 1 hour each on reading newspapers and watching television. People still prefer reading newspapers early in the morning with a cup of tea/coffee before starting their day. The majority are those who spend 1 to 2 hours and even more than 2 hours daily on internet and other digital platforms. This concludes that the internet and the digital means of communication and marketing has gained popularity among the consumers and has also acquired a good place in the day-to-day lives of the people.

- ***Awareness of internet and its offered services***- 33% say that they are aware of the internet and its offered services but up to some extent. This proportion may include people who try to explore new innovations and technological tools. They may also be the people who use internet according to their need personal or professional, not beyond that.65% agree that they are very well aware of the internet and its offered services. They may be the ones who keep on exploring and exploiting the tools in a productive way, who use internet beyond their personal and professional needs or they are into the related profession so they are aware of the internet very well.

- ***Total hour(s) spent online per week (approx.) -***It may be concluded from the data gathered that the majority of the sample (45%) i.e. almost around 50% spend more than 20 hours of the week online. This indicates that on daily basis, more than 2 hours are spent on online services.The remaining 55% slot encompasses the other three categories, 0 to 5 hours (15%), 5 to 10 hours (18%) and 10 to 20 hours (22%). The proportion (in %) of these three categories does not vary much compared to each other.

Figure. 2



➢ ***Purposes for which internet is used-*** Comparing the categories and the value allotted to each category by the respondents, official work has been marked as most important by the respondents followed by social network, media and content sharing and shopping in Fig.2. Media and content sharing has been marked as important followed by social network, shopping and official work. Shopping has been marked as least important followed by official work, media and content sharing and social network. Analyzing the trend, it may be concluded that official work and social network are considered as most important, followed by media and content sharing as important and shopping being least important.

➢ ***Benefit(s) offered by digital marketing over traditional marketing-*** Since, the respondents were allowed to select more than one answers for the question, adding all the values, the total becomes 201, meaning each respondent (out of 100) has chosen more than one answers.

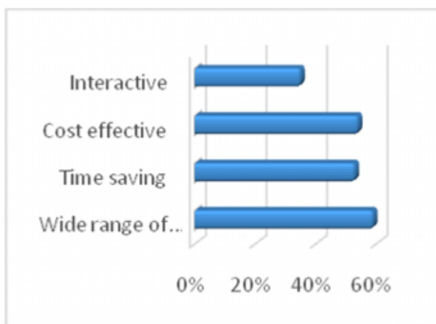


Figure. 3

➢ ***Penetration of digital marketing into rural areas*** **-** 14% of the sample strongly agree that digital marketing has penetrated into the rural areas, while only 4% of the sample strongly disagree of the fact. The majority of the sample (40%) have responded neutral for the question.It may be concluded that digital marketing has not penetrated totally into the rural areas. There are many factors associated with the reason. Lack of technology and electricity in the rural areas are two of the main reasons for the same. Digital marketing is on the growing stage and it may take more time till it reaches each and every individual of the country.

➢ ***Best social media platform for digital marketing*** **-** Facebook has been ranked the highest as the most important and Pinterest being the least

➢ ***Drawbacks/ challenges associated with digital marketing*** **-** Based on the selected options, the sequence/ranks for the options can be concluded as,

1. Susceptible to fraudulent activities/privacy issues: Both of these factors are interlinked. There exists a risk that your data, credentials, and other confidential information might leak over the internet, can be used against you, making things difficult for you.

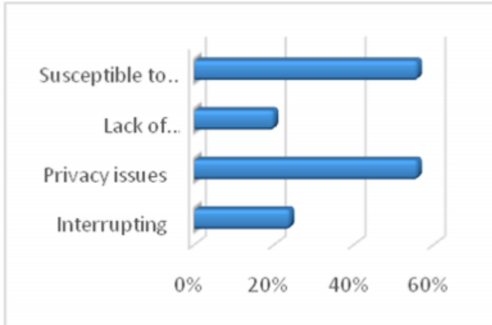


Figure. 4

2. Interrupting: The second most important drawback/loophole is the fact that digital marketing is interrupting. Yes, it may be! When you are busy doing something important and messages/advertisements keep popping up, they tend to irritate you.
3. Lack of demonstration: Ranked third by the respondents, demos can be provided by the sellers/service providers through videos.

- ***Most important category*** **-** Videos (including Vlogs) has been ranked the highest as the most important , Pictures has been marked the second highest.Blogs has been marked third of all.Visual aids have the power to connect with people's emotions more lively and thus leave a mark that plays a vital role in the decision making. People find it a more entertaining source that imbibes knowledge along with.On the other hand, blogs or other written content may become boring and uninteresting if the content is too long or it does not have connectivity with the reader and if it does not build a relationship.

- ***E-mail marketing as a good way of contacting the customers personally and promoting the products/services*** **-** Majority of the sample disagree to the fact that E-mail marketing is a good way of contacting the customers personally and promoting the products/services. 25% of the sample have neutral thought regarding E-mail marketing while the other 36% of sample agree to the fact.

- ***Importance of digital marketing*** – Most of the respondents said they consider importance of digital marketing to access exclusive contents.

5. Discussions and Conclusions

The result of the survey conducted reveals that consumers use various mediums to interact over the internet to make a final choice, therefore it is recommended for the companies should use various mediums to reach their target audience. An integrated marketing channel with various tools combined together would help.The results also show that consumers are aware of internet and its offered services so the companies should take advantage and incorporate online mediums as much as they can to make the best out of it. Further, consumers find some additional benefits over the traditional marketing, so the companies can spend more on online mediums.Measures should be adopted to eradicate cyber-crime. This can be done by protecting, encrypting the database from various harmful source that can leak the private information that can lead to hacking activities and other things like that.

The current study work focused on what the consumers perceive of digital marketing. According to the survey conducted for measuring the effectiveness of digital marketing among consumers, it can be concluded that consumers are very much aware of the internet and its offered services, and they spend around 2-3 hours per day online. They are connected to the digital world through various social media platforms out of which Facebook is the most preferred platform. Besides theses, the consumers consider videos (vlogs) as the best channel for carrying out digital marketing. Consumers believe that digital marketing is important so as to stay updated about the brand and to share ideas and provide feedbacks.

As far as the drawbacks are concerned, privacy issues need to be taken care of, compromising upon which may lead to fraudulent activities over the internet. Customers' database need to be protected and the information shared over the internet must be secured from any third party. There is a strong need to adapt social media marketing, emphasize on search engine optimization and search engine marketing, develop appealing contents for the promotion of products and services, e-mail marketing and phone marketing etc. There lies a huge scope in the future for these technologies to develop and these tools are among the best to measure the effectiveness of your marketing strategies, monitoring the reach among the consumers and getting valuable feedbacks. Artificial Intelligence need to be incorporated to get the best results.

A similar study with an even larger sample can also be conducted wherein the business professionals who are into E-commerce business can also be conducted.

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Emotion-based marketing and its impact on consumer decision making

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Abstract

It is easy to take a naive view of the sale, when it is believed that once the decision is made, the work is finished. It's dangerous and short-sighted to think about the sales strategy or building relationships with the client. A very small number of large sales is completed after the contract is signed by the client. Most of the sales include the introduction, installation, maintenance or any other contact by the buyer. The period after the decision-making is one of the most fruitful stages for finding opportunities for new sales. The sales strategy should be customer-cantered and how to influence it. From this follow - the better you understand the behaviour of the client, the easier it will be to develop a successful sales strategy. In the process of deciding on a large purchase, the client's behaviour is divided into three distinct stages.The purpose of the term paper is the overall examination and understanding Emotion based marketing and its impact on consumer decision making. In the first part of term paper describes the concept of customer decision making in general.Next part represents the customer decision making through the process those takes part in it.In the third part of term paper there are some factors which affect the decision-making process.Fifth part is going to describe the emotion-based factors those influence the decision-making process.The last part gives information about theoretical part and model of emotion-based customer decision making.

Key Words : Marketing, Decision-making, consumer, emotion, customer decision.

I. Introduction

Consumer behaviour is a process in which people determine what, where, when, how, from whom and how often to buy and buy at all. This behaviour depends on the demographic parameters of the person and the features of his character. A retailer should analyse the process of consumer acceptance of decisions from two different points of view. To do this, he must seek answers to the following questions: about buying what goods and services he thinks, where and when the consumer decides to purchase it)

The consumer can make a decision independently or under influence. If the decision is influenced, the consumer relies on the support of the retailer (for example, seeking help and information from qualified sales personnel) throughout the decision-making process. If the decision is made independently - as to what and where to buy - then before you visit the retail store, a person collects information and advice, and looks at the store simply as a place of purchase (instead of this store, he could go to any other) .

In this term paper I have tried to show the main aspects and the factors that affecting customer decision making process from theoretical side and their analyses that have been done and as a result of about emotions that affect decision making process and could affect it. Such aspects like solution and choice, classifications, about impact of integral and incidental emotions role, participation in decision making. Also about right answer in the process of itself and where the answers bring us in the decision making

When deciding whether to buy a particular product or not (the question "what"), the consumer takes into account the characteristics of the product, its durability, distinctive features, value, ease of use, appearance, etc. Considering in which retailer to buy this product (the question "where") the consumer takes into account the location of the store, the assortment of its goods, the possibility of obtaining a loan, the assistance of sales personnel, the operating time of the store, the level of service, etc.

Thus, the firm-manufacturer and retailer have different tasks. The manufacturer wants people to buy goods of his trademark ("what") in any place where they are sold ("where"). A retailer wants people to buy from him ("where") in the store or out-of-the-shop available goods, and not necessarily a trademark of a certain manufacturer ("what"). In other words, for the manufacturer it is important "what" and no matter where, and for the retail trader, on the contrary, it is important "where" and "whatever" is not important.

Every time a person buys a product or service, he goes through the decision-making process. In some cases, there are all six stages of this process, and in others, only a few of them. For example, a consumer who once successfully bought a bag at a local store may next go through a shorter decision-making process than a person who has never bought a bag before. The end result of this process will be the purchase of goods or services. But at any point in the process, the potential buyer may decide not to buy the product, and then the process ceases.

Objectives:

- Concept of customer decision-making
- Customer decision-making tasks
- Factors affecting customer decision
- Emotion Based Factors incustomer decision making

Tasks:

- To investigate stages in decision making process
- To analyse factors influencing the decision to purchase
- To research emotion-based factors in customer decision making

1.Concept of Customer Decision Making

1.1. Solution and choice

The word "solution" has several meanings in our language, which for our purposes is important to distinguish. First, the solution is understood as the totality of the possibilities considered, which in one way or another are highlighted by the person making the choice. Secondly, the solution is a process of searching for the most preferable options, including thinking, studying a question or problem, finding the right answer. Thirdly, the solution is the search answer itself, for example one or several selected options, the result of an analysis of some problem or a mathematical problem. Finally, decisions are decrees, decrees, orders, orders, acts of legislative and executive bodies, judicial and other decisions. In other languages, different words are used for these concepts. For example, in the English language in the first case they say alternative, decision, in the second - solving, Choice, in the third - solution, resolution, in the fourth - decree, order.

Decision-making tasks are often identified with choice tasks, which are among the most common with which the person faces in his activity. In everyday life, we constantly have to make choicest this or that product bought in the store, a dish ordered in a cafe or restaurant, a trip route or a kind transport, etc. Because of the frequency and stereotyping of situations of choice, a person makes a decision, almost without hesitation, often intuitively or by analogy. The best option is usually found without any special analysis.

In more complex and correspondingly more rare, unique situations, for example, when choosing a place of rest, studying or working, buying an apartment or an expensive thing (car, furniture, etc.), voting for a candidate or party, a person more carefully approaches his choice.

Before making a decision, he tries in detail to consider, evaluate and compare the various options, take into account the different points of view. Even more complex tasks of choice arise in the professional activities of every leader, scientist, designer, doctor, economist, financierand businessman. This list of professions is not difficult to continue. When political, economic, industrial, military decisions, various and often not coincide interests of acting parties, it is necessary to find and analyse a variety of information. For comparison different options for action, it is necessary to conduct a comprehensive, sometimes rather complicated analysis of the problem situation, develop special models for this, involve to working out solutions for specialists, experts, consultants, analysts, to use the means of computing engineering, build computer support systems for adoption solutions. Similar problems arise in people engaged in the management of complex technical objects (energy systems and installations, aircraft, ships, etc.). But here the situation is further complicated by the fact that a solution is required take promptly, in real time, with little opportunity for a detailed analysis of all alternative options and the resulting consequences of their implementation.

Without exaggeration, we can say that the necessity of justifying a choice is present in all spheres of human activity. A sound choice is especially important in management organizational and technical systems.

In situations where complex decisions are made, there is always a lack of information. Part of the necessary information is often missing, and the information available can be contradictory. An experienced manager or specialist covers incompleteness of information with your knowledge, skills and intuition. Making the right decisions in difficult situations is a kind of art that few own.

However, one art in making decisions in modern conditions is not enough. The dynamism of life has increased; The period of time during which decisions made earlier remain true; Increased complexity of options for decisions, their interdependence and interconnection; The possible risks and uncertainty of the consequences, the scale and size of the losses in case of making insufficiently justified decisions have significantly increased. As a consequence, the human responsibility for the adoption of the best, "most correct" solution has increased significantly, the difficulties connected with its finding have increased, which cannot be overcome without using the whole arsenal of means accumulated by modern decision theory.

1.2 Classification of decision-making tasks

Let’s cite a classification of decision-making problems on various aspects of their consideration. By the regularity of the problem situation, it is possible to indicate new, unique tasks that never occurred before, and repetitive tasks that differ slightly from one another and are regularly encountered in practice. According to the duration of the implementation period, long-term (strategic), medium-term (tactical) and short-term (operational) tasks are distinguished.

By the form of the final result, the following selection problems are distinguished, which are generally considered typical:

- highlight one or more best options (alternatives);
- Sort all options, usually from the best option to the worst;
- distribute all variants in groups of different properties, and these groups can be either ordered or unordered for some quality.

The options for solving the problem differ: In quantity - a little (a few, dozens), many (hundreds and thousands), infinitely many;

2. Customer decision-making process

2.1. Stages in decision making

The theory of decision-making is applicable to objects of different nature and in different conditions of their existence together with the processes of decision-making in different spheres of human life. Activities have much in common. Formal decision-making methods can be useful in the following cases:

• There is some problem or problem situation, requiring its permission. Often the desired result is identified with one or more goals that must be achieved when solving a problem situation;

There are several ways to solve the problem, ways achievement of the goal, actions, objects, among which the choice is made. These options in decision theory usually called alternatives. If there is one possibility and there is no choice, then there is no task of making a decision;

• There are factors that impose certain restrictions on possible ways to solve the problem, achieve the goal. These factors are determined by the context of the problem being solved and can have a different nature: physical, technical, economic, social, personal and other;

• There is a person or group of people who are interested in resolution of the problem, have the authority to choose one or and are responsible for the implementation of the decision.

Here is a typical scheme of the decision-making process that establishes the set and sequence of steps in the adoption decision, and we will designate the main actors of this process and their role. The life cycle of the problem solution consists of several stages and is a multi-stage iterative procedure. The need for a decision arises when problem situation (stages 1). In this case, the problem is identified (stages 2 - 4), that is, a meaningful description of the problem is given, the desired result of its resolution is determined and the available limitations are evaluated.

The next stage is the formulation of the problem decision making (stages 5 - 8). For this, it is required to determine the set of possible solutions (alternatives). Depending on the problem under consideration, the number of possible solutions can be several units and can reach tens, hundreds and even thousands. Theoretically, the number of options considered can be infinite. In order to fully describe all possible solutions, it is usually necessary to collect and analyse various information pertaining to the problem and alternative ways of solving it. The absence or inability to obtain the necessary information can make the problem unsolvable. In such cases, we have to return to the original formulation of the problem and change its description. Such a need may arise at all the previous stages of the solution process. In difficult selection situations, work of a special model of the problem situation in order to obtain with its help a simplified model solution of the problem. The second stage ends with the formulation of the task of acceptance solutions. It should be noted that a detailed, meaningful description of the problem being solved is already at the first stage in many respects determines possible approaches to its solution and can immediately lead to the formulation of the task of making a decision, bypassing all or many of the subsequent stages.

Figure 1. **Stages in decision making**

Source: Professional academy

Having formulated the problem of making decisions, they move on to finding a solution (stage 9 - 11). This stage includes, first, the selection of a method of solving a problem from the known ones or the development of a new method; Secondly, the very decisions process itself, which consists in evaluating and analysing the various solutions and choosing among them the most preferable. In a number of problems, the final result is not presents great difficulties. However, more often this is enough complex and time-consuming procedures that require the involvement of the knowledge and skills of many people and the capabilities of modern computer technology.

At the same time, even after going through all the stages of the problem-solving process, it is not always possible to make the final choice. There are situations when it is not possible to find a ray-neck solution. The right option may simply not be available. Then you can either change the wording of the original problem (stage 12), or go back to the previous stages and gather the necessary additional information, make changes to the formal formulation of the problem or model of the problem situation, expand or narrow the number of alternatives considered, and construct new options.

In any case, the search for a better solution, even if it did not lead to a positive result, does not will be useless. He can push for a new understanding of the problem under consideration, pay attention to some new aspects that need to be taken into account, to point to other ways solution of the problem.

If an acceptable option is found, the stage of execution of the decision (stages 13, 14) is coming, at which the implemented decision is implemented, control over the implementation process is carried out and the result of solving the problem situation is estimated. And furthermore, the implementation of the adopted decision may give rise to a new problem requiring the search for its solution.

2.2. Participants in the decision process

Decision-making, as already noted, has a special form human activity, aimed at finding the best possible options. The final result of solving the problem is determined by many participants who have different functions. The main place belongs to a person or group of people who actually choose the preferred solution. In decision theory, such a person or a group of such people is called a decision-maker (DM) or an actor in English-decision maker (DM), actor. Usually, the role of a decision maker is a leader or a group of competent specialists who have the relevant knowledge and experience of the activity, who have the necessary powers to make a decision and who are responsible for implementing the decision.

Sometimes it is advisable to specifically highlight the owner of the problem (EaP) - a person or a group of people who have reasons and motives for posing a problem that are aware of the need to solve it, initiating in one way or another the adoption and implementation of the necessary decision. In a number of cases, VPs and DMOs may be the same person century, but they can be different people.

In difficult situations of choice, experts (E) and decision-making advisers (C) may be involved at different stages in the preparation and decision-making process. Experts (from the Latin expertus - experienced) are competent specialists who are professionally versed in the problem being solved, who have the necessary information about the problem and its individual aspects, but do not bear responsibility for the decision and its implementation. Decision-making advisors assist the decision maker and the owner of the problem in organizing the decision-making process, in the correct formulation of the problem of decision-making, ensure the collection of necessary information, develop a model of the problem, procedures and methods of decision-making.

Those or other participants are of decisive importance on different stages of the life cycle of the problem-solving process.

3. Factors affecting customer decision making process

3.1.Factors influencing the decision to purchase

In the process of developing market relations, a market change took place, on which the producer occupied the dominant position, the buyer's market. For the best promotion of goods on the market, it is necessary to carefully study this market, as well as , the factors which influence the behaviour of consumer. Consumers' behaviour is a complex, purposeful activity in this selection, purchase and use of products. It is aimed at meeting the needs and is influenced by the environment and individual differences of consumers. Every day consumers make a lot of decisions about what to buy. In order to understand what the buyer is guided by, making this or that purchase, it is necessary to determine what factors influence his behaviour and what factors influence the process of making a decision about a particular purchase. First, consider the factors that influence consumer behaviour. The behaviour of people when making a purchase is formed under the influence of many factors. On the one hand, the consumer's actions take place under certain conditions, that is, they are conditioned by the environment, and on the other hand - the decision to buy is made by the consumer taking into account his personal values, lifestyle, emotions. Thus, all the factors affecting consumer behaviour can be divided into two groups: external (observable) and internal (unobservable). Each of these groups includes subgroups. Data are presented in the table below:

Factors affecting consumer behaviour;

1. External factors:1.1 Cultural; 1.2 Social classes, roles and status of the buyer; 1.3. Personal influence; 1.4The influence of the family; 1.5The impact of situations

2. Internal factors: 2.1 Types of consumer behaviour and the person's self-image; 2.2. Personal values; 2.3 Personal characteristics; 2.4. Cognitive processes;

Let's consider each of these factors in more detail. Let's start with external factors.

Cultural factors

Culture factor has the major impact on human needs and behaviour. For a person, that following the values is usually important: achievement of purpose and success, active life position and participation in public life, efficiency and practicality, progress, material comfort, individualism, freedom, humanism, youth, good physical shape and health. Culture is constantly in development therefore, marketing strategies must be flexible. Marketers should strive to identify cultural shifts in order to find out what new products consumers would like to acquire and how, in accordance with the values that have arisen, consumers should be presented with benefits. Each culture consists of smaller elements - subcultures, or groups of people, adhering to a certain value system, based on their overall life experience and position in society. Individual subcultures are represented by groups of people united by national, religious, racial characteristics or living in the same geographical region. Consumers belonging to different subcultures form important segments of market and in their calculation marketers develop products and marketing programs.

Social classes, status and roles of the buyer

It could be said that almost in every society, in one form or another, there is a class structure. Belonging to this or that social class is determined not by any single or concrete factor, for example, earnings, but also by the combination of occupation, income, education, material well-being and other characteristics. Consumer behaviour is quite dependent on the social class to which it belongs (shop choice, brand preference, etc.). Social classes have their own characteristics in understanding the need, choosing evaluation criteria, in processing information, in the very process of buying. For example, the purchase of clothing is carried out by the criterion of expressing one's belonging to the desired social class. Higher social strata often choose expensive, rare, unique products, middle layers are sensitive to the style and design of household items, the lower layers are focused on the functionality of objects.

Economic forces

Many experts in the field of the market believe that the main impact on human behavior is provided by the economy. The influence of economic factors, first of all, is manifested through the level of welfare of buyers. Simply put, if people make more money, they will probably spend more on different goods. Consequently, one of the methods for assessing buyers is their classification by income level: with increasing incomes, the ways of spending and accumulating money change. People with higher incomes will not be satisfied with goods and services that meet the requirements of people with lower incomes. This consumer behaviour can change the overall economic environment. If the economy is on the rise, then, as usual mass consumers, and representatives of enterprises spend money differently than during the economic downturn.

Age and stages of family life

The needs of single and family citizens change over time. In their classic work, Wells and Huber singled out a number of stages in the life of an adult, each of which is characterized by a level of prosperity and consumer interests. The stages of people's lives are more important for marketing strategies. In the table, we consider the stages of life and its influence on consumer orientation. Life Stages and Consumer Orientation, The stages of life, Consumer orientation, Young people who are unmarried and living apart from their parents. Focus on entertainment and recreation. Travel agencies develop special holiday programs for them. Young childless couples often have a high level of income, which can be spent on goods that are not vital.

Full nest: the youngest child is less than six years old typical buyers of the first apartments and all goods purchased with the house.

Full nest 2: the youngest child six or more years old people who are in stages 3 and 4 are usually targeted at mass advertising of goods: they are a typical family.

Full nest 3: married couples "with experience" and children who are dependent become more selective as their incomes increase

Empty nest1: elderly couples, children in the house there is no home, at least one of the spouses is working.

They can spend more on luxury goods, although these items are different from those purchased by people in stage 2.

Empty Nest 2: older married couples, pensioners, no children in the house alone widower (widow), working buyers who are at these stages may need goods that are socially oriented to brighten up loneliness after losing a life partner.

4.Emotion Based Factors in Customer Decision Making

4.1.Nature of discrete emotions

Emotions are multidimensional feelings those reflect information about consumers' relationship to their social and physical surroundings as well as their interpretations regarding these relationships. Each specific or discrete emotion is associated with the profile of cognitive evaluations that called 'appraisals'. An early research on specific emotions was aimed at the identifying and classifying of emotional appraisals. Smith and Ellsworth classified cognitive appraisals associated with fifteen types of common specific emotions along six dimensions (pleasantness, certainty, self-responsibility, anticipated effort, attention and situational control). The more recently developed. Appraisal Tendency Framework (ATF), suggests that appraisals associated with the experience of a specific emotion can 'carry over' by predisposing individuals' view of other unrelated events in line with the pre-existing appraisals . For example, fear is an emotion that arises from the appraisal of low individual control over an unpleasant event whereas the anger is associated with the high individual control. Thus feelings of fear or anger lead to different subsequent risk perceptions, such that fear leads to pessimistic risk perceptions (perceptions of low control) and anger leads to optimistic risk perceptions (perceptions of high control). Based on the source of consumers' emotional experiences and its relationship to the decision at hand, emotional influences are classified into two broad categories: Integral emotions and incidental emotions. Integral emotions are experienced when marketers embed emotions in the marketing stimuli or contexts with the intention of influencing a particular decision. Incidental emotions arise from sources that are unrelated to a particular decision, yet their influence carries over to that subsequent decision. This review is organized around such classification of emotions, beginning with an integrative model of how emotions influence consumers' decision-making, followed by sections that detail the specific psychological processes.

4.1.1.Integrative model illustrating role of integral and incidental emotions in consumerdecision -making

Appraisals associated with emotions influence judgment in two ways. One, the nature of marketing appeals and marketing contexts (advertising, brand, category) can elicit emotions (integral emotions), which influence consumers' decision making processes via cognitive appraisals of the object or the event. Two, unrelated environmental factors, such as prior events or consumer's personality might elicit emotions (incidental emotions), which affect how consumers make that decision. Such incidental emotions activate appraisal tendencies related to the emotion and are carried over to decisions about another object or situation. Finally, integral and incidental emotions can jointly influence decision-making via interaction of cognitive appraisals. Figure 1 presents an integrative model of emotional influences on consumer behaviour.

4.1.2.Impact of integral emotions on decision making

Consumers are exposed to emotion-inducing marketing in the form of advertisements, product packaging, positioning, events, etc. Brands and marketing contents systematically portray and evoke emotions that encourage desired consumer responses. There is a small stream of research that explores how integral emotions influence decision making. Here, we review this area of research in the hope that it will serve as a call for more scholars to examine the role of integral emotions in decision-making. Early literature documented the effect of emotions on consumption by contrasting emotion-laden marketing appeals to non-emotional or rational appeals. In a field experiment, anti-child abuse public service announcements that used empathetic (vs. rational) appeals were more effective Following multiple demonstrations that emotional appeals could be effective alternatives to rational appeals in influencing consumer behaviour, most research has focused on understanding how and when integral emotions make marketing appeals effective.

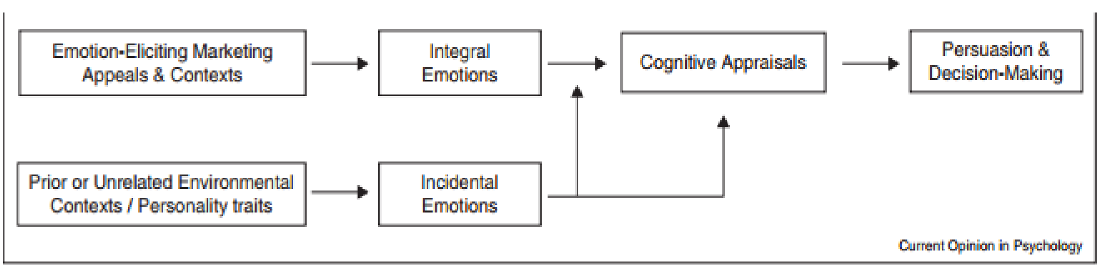

Figure 2. **Integrative model of emotional influences on consumer behavior**

Source: Current Opinion in Psychology 2016

How do emotional appeals influence decisions? There is a wide range of psychological processes that drives consumer reactions to emotional appeals. Certain emotions increase the motivation to act in compliance with an appeal via accountability appraisals. For example, sunscreen ads that used specific emotions with appraisals of self-accountability (regret, guilt, and challenge) increased individuals' intentions to use the sunscreen, relative to appeals that used emotions with low self-accountability (fear and hope). Emotional appeals could also influence subsequent decision-making through the modifying one's concept of self-relative to others. For example, love expands the boundary of caring toward others and extends feelings of connection. Therefore, seeing a love-inducing advertisement made participants more likely to donate to an international (versus local) charity. Emotions may also influence consumer's behaviour through contagion effects; individuals experienced more sadness, when viewing a charitable appeal with victims' faces showing sad expressions and hence were more likely to feel sympathy.

Some emotional appeals influence consumers by changing how the information provided in the appeal is processed. For example, high fear-arousing appeals (anti-smoking ads) are likely to be defensively processed by consumers. Hence, they were effective only when the message reduced the problem elaboration by using others as references. Another processing mechanism that could enhance the effectiveness of emotional appeals is metacognitive fluency facilitated by message framing. A guilt-inducing anti-drinking appeal cast in a gain (rather than loss) frame was processed more fluently and was consequently more effective in decreasing the binge drinking intentions. This is because of guilt functions through problem-focused coping — facilitated by a gain frame — and shame functions through emotion focused coping, facilitated by a loss frame.

When do emotional appeals influence decisions? Effectiveness of emotional stimuli may depend on their compatibility with many consumer-related factors, such as culture, consumers' salient self-identities, and their incidental emotional states. The influence of different discrete emotions across the people belonging to different culture varies; emotional appeals that are not compatible with the participants' culture may be more effective due to their novelty. For example, members of a collectivist (versus individualist) culture were more persuaded by emotional appeals that were ego-focused (e.g., pride) rather than appeals that used other-focused emotions (empathy) due to a sense of novelty. In another demonstration of emotional stimuli interacting with consumer characteristics, Coleman and Williams show that individuals prefer emotional messages that are compatible with their salient self-identity. Individuals primed with their athlete identity were most persuaded by anger based advertisements because anger is consistent with the stereotypical social identity of being an athlete.

Overall, emotional appeals the influence of decision-making by the skewing the consumers' thinking toward appraisals associated with those emotions, such as higher self-responsibility (regret) and greater inclusion of other in self (love). Appraisals, may also interact with the decision context and consumer characteristics to enhance effectiveness of marketing through various processes such asidentity-compatibility and reduced the defensive processing, and novelty. While the existing research has been documented the effects of both compatibility and incompatibility of emotional appeals with the culture, future researches could explore when compatibility versus incompatibility effects occur.

4.2. Impact of incidental emotions on decision-making

Emotional influences in the marketplace are not limited to those intentionally set up by marketers. Even incidental emotions may affect a variety of consumer responses such as perception, brand choice, information processing, risk taking, etc. Incidental emotions evoked from a previous experience (watching an ad that portrays hope while watching TV) may influence subsequent, unrelated decisions (how many chips you may eat while watching TV). Recent research has documented effects such as incidental pride affecting consumers' uniqueness-seeking tendency when consumers attribute the feeling of pride to their personal traits (versus people who attribute pride to their effort). In this section, we review some current views on how and when such incidental influences occur.

How do incidental emotions influence decisions? ATF has helped researchers understand the mechanism through which even unrelated (incidental) emotions influence decisions. The appraisals associated with incidental emotions predispose individuals to perceive unrelated events in ways that are consistent with appraisal dimensions. This influence of emotional appraisals can explain why effectiveness of the same message may differ, depending on the emotion being incidentally experienced. For example, among people incidentally feeling positive emotions (happiness, calmness), compatibility between emotional appraisals and referent in a message enhances message effectiveness. In addition to some of the appraisals discussed previously, recent research has identified new appraisals to provide evidence for differential effects of the same incidental emotions. For example, guilt arises from a behaviour-specific appraisal (I did not study hard) whereas shame arises from a global self-appraisal (I am not an intelligent person). Thus, feelings of guilt lead consumers to adopt lower-level construal's and value secondary features (direct camera upload in an MP3 player) whereas feelings of shame lead consumers to adopt higher-level construal's and value primary features (storage capacity in an MP3 player). Thus, guilt-laden consumers chose a product with unattractive primary features but attractive secondary features but shame-laden consumers chose the reverse. This illustrates that incidental emotions can influence the construal level of consumers' mind-sets. Another example of an influential appraisal is the temporal focus of the emotion. Emotions associated with future-focused appraisals (e.g., hope) increase consumers' self-control and lead them to make healthier choices relative to emotions associated with present-focused or past-focused appraisals (pride). In summary, incidental emotions can influence unrelated decisions via processes such as enhancing message compatibility, changing temporal focus and mind-sets. ***When do incidental emotions influence decisions?*** Sometimes, the surprising effect of the same emotion having different effects can be explained by minor differences in the nature of incidental emotions and their interactions with contextual factors. For example, pride arising from different sources affects decision-making differently. Pride experienced when self-awareness is heightened leads to virtuous choices by motivating consumers to act in accordance with their goals. However, pride experienced due to the appraisal of self-achievement leads to indulgent choices because consumers disengage with the goal. In a similar vein, presence of a goal can moderate the effect of incidental emotions on decisions. Incidental sadness leads to more hedonic consumption because consumers are trying to regulate their feelings. However, this effect is mitigated when a hedonic eating goal is salient because consumers try to reduce further harmful consequences.

In summary, emotions can affect decisions that are seemingly unrelated via appraisal tendencies. Appraisals associated with each emotion shape consumers' decisions by processes such as influencing consumers' construal levels or temporal focus. The effect of incidental emotions varies by decision contexts such as source of the emotion, presence of goal or physical proximity.

4.3. Interaction of integral and incidental emotions

An important but relatively understudied area in emotions research is how and when integral emotions and incidental emotions jointly influence consumer decisions. Emotional stimuli could interact with incidentally experienced emotional states and influence the manner in which information is processed. Agrawal and Duhachek, for example, showed that anti-drinking appeals that exacerbate guilt or shame were less effective among participants incidentally feeling guilt or shame. When the emotional appeal exacerbated the emotional state participants were already feeling, they defensively processed the information. This finding demonstrated that negative emotional appeals could backfire when they were compatible with incidental negative emotions. There has been limited research on this area, but future research can explore how integral and incidental emotions can interact as well as how they can contrast.

5. Theoretical model of emotion based customer decision making

5.1. Decision theory

The study of how a person makes decisions, and the creation of methods of choice, are engaged in many scientific disciplines that have emerged and historically evolved independently of each other. These include decision theory, system analysis, operations research, statistical decision theory, game theory, optimal control theory, economic cybernetics, organization theory, computer science, artificial intelligence, cognitive psychology, behavioural theory etc. These disciplines analyse the mechanisms, processes and rules of choice with respect to objects from different points of view different nature and in different conditions of their existence. Together they form a multidisciplinary science that helps a person make an informed choice.

The theory of decision-making as an independent scientific the board began to take shape in the middle of the twentieth century. In the framework of the methodology of system analysis, although the very first work on the study of voting as a method of collective choice appeared as early as the end of the 17th century. The main purpose of decision theory is to develop methods and tools that allow one person or a group of people to formulate many possible solutions to the problem, compare them among themselves, to find among them the best or admissible options that satisfy certain requirements (restrictions), and, if necessary, explain the choice made.

Decision theory can be of great help in analysing and solving complex problems, but only then, when its methodological and mathematical tools are applied "correctly", according to their capabilities, without exaggerating or diminishing their role in the process of finding a solution. Therefore, the theory of decision-making would be more correct to call the search theory and the well-founded choice of the most preferable options for a person to solve the problem. There are two opposite points of view on the role formal methods in solving practical problems of choice. People who do not professionally master mathematical methods often believe that any problem can be formally translated into the language of mathematics and then solved by its means. Others completely reject such opportunities. Reality is much more complicated than these extreme statements.

Speaking about the practical applicability of decision-making methods, it should be specially emphasized that there should exist both objective external circumstances and subjective internal conditions that would motivate the person - the head, responsible for solving the problem, specialist, analyst - to search for better solutions. Without such a need, the demand for scientifically based methods of choice will be small.

Conclusion

It is easy to take a naive view of the sale, when it is believed that once the decision is made, the work is finished. It's dangerous and short-sighted to think about the sales strategy or building relationships with the client. A very small number of large sales is completed after the contract is signed by the client. Most of the sales include the introduction, installation, maintenance or any other contact by the buyer. The period after the decision-making is one of the most fruitful stages for finding opportunities for new sales.

The sales strategy should be customer-cantered and how to influence it. From this follows - the better you understand the behaviour of the client, the easier it will be to develop a successful sales strategy. In the process of deciding on a large purchase, the client's behaviour is divided into three distinct stages.

After the decision is made, the fourth stage - the stage of Implementation, which is neglected in the sales strategy, but which, in case of correct actions, can create significant additional opportunities for sales, usually comes.

Each of these stages requires a different set of strategies and methods. The seller can very successfully operate at one of these stages, but he may not have enough skill for another stage.

A successful sales strategy is not a grandiose plan, not crafty tricks, it's a deep understanding of customer behaviour. This is knowledge of the fears experienced by customers at various stages of the sale, and an understanding of how to effectively respond to these concerns.

At present, the development of the world economy predetermines the need to ensure a higher level of marketing activity in the enterprise, which should find its expression, on the one hand, in an even more significant orientation toward the user, and, on the other hand, in strengthening attention to the interests of business partners in business , Establishing any relationship that facilitates the extraction of income. At the same time, important factors that distinguish a customer-oriented enterprise are: service strategy; Employees who take into account the requests and wishes of the buyer; The system is favourable for the buyer. At the same time, in order to keep the consumer of the enterprise, it individualizes relations with it, which is possible on the basis of the development of long-term interaction of partners. Therefore, relations become the most important resource owned by enterprises with material, financial, information, human and other resources.

Basics for constructing an effective system, allowing you to accumulate and process information, conduct its analysis and facilitate informed decision-making to company managers.

First of all, in order to influence the emotions of a person, one must know its motives and values, and also understand how the buyer decides to purchase a particular product.

Perception of a person, as a rule, is subordinated to the motivational system, which is formed due to social experience. The rational buyer decided what kind of thing he wants to buy in advance, but what brand he chooses will depend on emotional perception. It all depends on the seller: if he can hurt the emotional sphere, make a person happier, the buyer will choose it, the experts explained, stressing that it is not about manipulating the mind.

Experts also drew attention to the fact that the product with which he will play will be of interest to the buyer. Playing with the product is always accompanied by human emotions. The deep, unconscious goal of this game is experiments with self-identification, an attempt to answer the question: "Who am I?". An example of this kind of products can serve as an "organic shop", where a person can create for himself spirits, shower gel, come up with soap or foam for a bath.

The consumer needs to be given the opportunity to enjoy shopping, make his stay in the store pleasant and comfortable in an emotional way.It's the one who will learn this today, tomorrow will become the market leader.

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Application of Employee Motivation Tools in the Regional Theatre: A Case Study

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Abstract

Many Lithuanian theatres are public bodies that have state or municipal status. In the area of financial incentives, these theatres depend on the budget approved by the founders; therefore, they cannot or can but in a very limited way raise the wages of the employees independently. Thus, there is a problem how to keep highly qualified employees of cultural institutions, skilled artists in cultural institutions of the public sector by not being able to motivate them with the financial means. The situation in regions is even more complicated, because there is always a lack of creative potential. Therefore, staff motivation is a very important factor when trying to attract creative employees and create cultural products of high artistic level in such way satisfying sociocultural needs of consumers. The aim of this article is to reveal the application peculiarities of motivation tools in the regional theatre. Thus, the analysed problem is the following: what motivation tools are the most efficient for creative employees under the present conditions of limited resources.

Key Words : Lithuania, Regional theatre, employee motivation

I. Introduction

The encouragement of work motivation and efficiency of various motivation tools' application in different branches of industry and business sectors remains highly relevant in the areas of research and practical application. The changing market relationships inevitably change the value system of Lithuanian employees as well; however, the behaviour when one is lacking self-confidence, interest, initiative and self-criticism remains strong. High level of unemployment and low standard of living are some of the reasons why Lithuanian employees have low intrinsic motivation. The ethics of success and self-confidence are alien to the Lithuanian culture where restrictions and obedience prevail. The scope of obedience in the culture was strengthened by the ideas of fatalism, which stimulate the passivity (Vasiljeviene, 2006).

It is stated that motivation plays an important role in determining behaviours, which may result in creative outcomes. Thus, intrinsic motivation operating through creative process engagement has both indirect and direct effects on the creative performance. This happens because intrinsic motivation connects one's abilities with needs and wishes, depending on the degree of engagement in the creative process (Xiaomeng, Bartol, 2010).

The motivation of creative employees in cultural organisations is a big challenge for managers, because small wages tend to prevail in this sector, and creative work requires many personal resources (Haunschild, Eikhof, 2006). Then, the question is what motivation tools are most efficiently applicable and how to combine the satisfaction of intrinsic and extrinsic needs in the cultural organisations. There is a huge lack of researches in this area, and it remains unclear whether the same motivation tools are suitable for the creative employees working in the in the field of culture as well as in the business or industry fields.

Regional theatre in Lithuania has been chosen for the research because this culture and art institution is characterised by the professional variety. Actors, directors, artists, cultural managers, technical staff, administration that work there are all united by one aim, i.e., to create and present plays of high artistic level for the audience. Employees with different professions, education, and experiences have different needs, attitudes, values and interests related to the occupational activity. These people may be motivated to work productively with different tools; therefore, it is not easy to create a united motivation system suitable for the entire organisation.

Many Lithuanian theatres are public bodies that have state or municipal status. In the area of financial incentives, these theatres depend on the budget approved by the founders; therefore, they cannot or can but in a very limited way raise the wages of the employees independently. Thus, there is a problem how to keep highly qualified employees of cultural institutions, skilled artists in cultural institutions of the public sector by not being able to motivate them with the financial means. The situation in regions is even more complicated, because there is always a lack of creative potential. Therefore, staff motivation is a very important factor when trying to attract creative employees and create cultural products of high artistic level in such way satisfying sociocultural needs of consumers.

The *aim* of this article is to reveal the application peculiarities of motivation tools in the regional theatre. Thus, the analysed *problem* is the following: what motivation tools are the most efficient for creative employees under the present conditions of limited resources.

The data were collected by employing an anonymous questionnaire and interview; the data were analysed using case study analysis and statistical-descriptive analysis.

Key words: *motivation tools, case study, Lithuania, theatre.*

Application of motivation tools in organisations

Usually, the motivation is perceived as a phenomenon when a person is influenced by two types of forces, i.e., extrinsic and intrinsic, that point his/her behaviour into certain direction (Xiaomeng, Bartol, 2010). Personal needs, aims, interests, values etc. are attributed to the intrinsic forces. Whereas, the extrinsic forces encompass extrinsic factors like country's policy, economy, predominant religion, in other words, those systems that encourage people to change.

The process of motivation could be compared to the closed cycle: a human being understands his/her needs and tries to satisfy them; then, due to the feedback, he/she perceives a signal or an impulse that encourages new needs. This logic can be found in the modern theories of work motivation where 3 steps have been developed over the time (Bartkeviciute et al, 2007):

1. The early work motivation theories where *employees were assessed as parts of one mechanism*, i.e., the more production they produce, the more money they make regardless the circumstances;
2. A group of theories where *employees were assessed as separate individuals*, developing knowledge about behavioural motives;
3. Theories that express a more diverse attitude towards work motivation, where it is viewed as the relationship between financial and nonfinancial motivation or determination of intrinsic motivation as well the expression of personal motives that depend on the type of personality, system of values and extrinsic factors (technological, social, economic etc.).

The organisation's management system is based on the human resources and their management aiming at better work efficiency. Motivation is a part of the organisation's management process, because the expression of motivation at work is one of the several factors that cause efficient employee's work results. However, motivation is not a constant state; therefore, it should be always stimulated and strengthened. Thus, the managers who are properly adopting the employees' motivation as an efficient work tool can encourage people to always believe in the organisation's vision and work actively.

It could be stated that the more efficient is the employee motivation, the more sincere are their efforts at work. However, when explaining the expression of work motivation, there should be stressed two essential components, i.e., energy and direction, which are caused by the satisfaction of corresponding motives. The work motivation depends on the expression of these motives (Stankeviciene, Lobanova, 2006):

- *Supply motives* that are related to supplying material means necessary for the employee's well-being;
- *Acknowledgement motives* that are expressed as the employee's efforts to realise his/her ideas, energy and strengths at work and receive acknowledgement for that.
- *Prestige motives* that make employee's efforts active to realise his/her social role and successfully participate in the professional and public activities.

However, the specialists of human resources management do not provide precise recommendations how to motivate employees better, but they only stress general factors that stimulate human behaviour at work. On their basis, they recommend that managers would create their own employee motivation model according to the nature of their organisation's activities.

The success of the motivation system in the organisation is caused by the ability to include all the staff in the management process by making them active members of this process. A person will always be more motivated when he/she will feel responsible for a certain given work task, because it is associated with delegation of responsibility, providing self-sufficiency and demonstration of trust. Such an employee that has a clear aim is seeking for opportunities and new ideas with energy to help solve one or the other work task (Vaitkuviene et al., 2010).

The employee motivation to perform work better depends on many intrinsic and extrinsic factors that correspondingly cause the direction, intensity and preservation of motivation expression. The application of motivation tools is very important as well; it should be systematic and correspond to the employee's needs.

There can be found various classifications of motivation tools in the scientific literature. For example, Vaitkuviene et al. divide motivation tools into three groups (2010):

1. Financial tools (wages, bonuses, awards, health and other insurances, additional leaves, trips and excursions, corporate events, educational opportunities),

2. Formal motivation tools (work content, employment contract, collective contract, equipment and work tools),

3. Psychological tools (development opportunities of carrier and competences, psychological climate, style of management, participation in making decisions, working conditions, relationships with colleagues, professional acknowledgment).

No motivation tools could be suitable for everyone; thus, the nature of work, material situation, particularities of organisation's internal procedures, employees' interrelationships, their personal qualities, needs etc. should be taken into consideration. The motivation tools consist of 1) relatively stable and practically tested tools, which are valued because they are well known, trusted and applied automatically: they are a part of staff traditions, and 2) original tools that should be newly found to make a nice surprise for the employees and cheer them up with manger's attention and intelligence (Zaptorius, 2007).

One of the most effective motivation tools is motivation by the *work content*, the increasing feeling of satisfaction during the work, opportunity to realise one's abilities by making decisions and performing tasks. The work content in the creative organisations is very important, because they mostly produce creative products that are evaluated by the qualitative criteria (Bartkeviciute et al., 2007). When aiming to motivate employees in the cultural organisations, the involvement of employees in the decision-making process becomes very important, because it increases their activeness, independence and work satisfaction. The expression of intrinsic motivation is strengthened by the delegated responsibility based on the positive employee's assessment. The work assignments should be enriched by providing more and more autonomy and responsibility, because it is an efficient mechanism improving work activities that assures a high level of motivation and increases employee satisfaction with professional activities.

The *social environment* as well has a big influence on the motivation of creative employees. It is one of the main conditions motivating creativity. The most favourable environment for the employees provides opportunity to risk and search for new decisions, avoiding unconstructive criticism and competitive relationships (Tomkeviciene, 2009). Thus, such cultural organisation that successfully motivates employees should be innovative, tend to take risks, be able to coordinate team and individual work.

Usually, most of the managers choose to motivate employees by using wage and bonus system. However, in certain sources, it is stated that managers are wrong by choosing to motivate their employees financially. One of the most important parts of wage, especially for the creative employees, are various awards and public recognition. Verbal thanking and personal praising as well have a positive effect on the motivation of cultural organisation's employees. Creative employees are special, because the variety of their motivation tools is the most numerous and inventive.

In order to make the cultural organisation's employee to be interested in working actively and creating original services and products, it is important to combine these motivation tools: bigger wage or bonuses, freer and more flexible working hours and supply of all means necessary for the work (Jazdauskaite, 2004).

What concerns the nonfinancial motivation tools, it is important to remind that the intrinsic motivation is more relevant to the employees of art organisation, because the main goals are usually based on self-expression and self-realisation needs. When motivating employees, it is possible to successfully combine person's or work group's individual or public recognition and praise, reward by thanking and honourable mention as well as providing opportunities to learn or improve in any other way in the professional activities, increasing social status, strengthening staff and using social, communicational or group's dependence factors in other ways (Savareikiene, 2008).

It is stated that the application of the following factors as well contributes to the creative employees' views on their work and motivation. It is very important to provide opportunities for feedback, allow the jobholders to use their creative abilities and a high degree of autonomy. However, success and self-esteem are as well determined by extrinsic drivers such as the acceptance of and demand for an individual's work by significant others, social groups and the artistic community (Reid et al, 2016). Research indicates that the intrinsic factors such as learning opportunities and career development instead of or alongside the financial rewards appear to be a critical determinant in the motivation and retention of the creative employees too.

It is clear that the motivation of employees from the cultural organisations is a complicated phenomenon that encompass many personal and organisational factors. However, it is important for the managers that create a certain motivation system to take into consideration such tools as motivating with vision, benefits for the society, delegation of increasing responsibility, opportunities for education and professional development, financial and nonfinancial rewards, flexible working hours and work means.

Analysis of motivation tools in the theatre

Research methods. One city theatre in the Lithuanian region has been chosen for this case study analysis in order to analyse the motivation system thoroughly by combining quantitative and qualitative research methods. According to R. E. Stake, it is not very significant what methods are chosen for the case study analysis; the most important is that they would help to answer the research questions (Stake, 2005).

The questionnaire survey was conducted by asking employees of the chosen city theatre and interviewing the theatre's Deputy Director for Marketing and Development. The questionnaire survey was accomplished during April-May of 2016. The questionnaire was composed of 1) sociodemographic questions, 2) questions evaluating motivation tools at work, 3) final questions (motivation possibilities, suggestions).

The method of standardised interview with the theatre's Deputy Director for Marketing and Development was chosen in order to complement data obtained from the questionnaire survey of the theatre employees. This method aimed to provide additional information on the composition of personnel, staff turnover, motivation tools applied to the staff at present etc. The duration of the interview was 104 min.

Data analysis methods. The data of questionnaire survey was processed by using MS Exel and MS Word programmes employing descriptive statistics method. In such a way, it was possible to capture frequencies of each separate variable category.

The content of the responses to the interview questions was analysed using the method of qualitative content analysis. According to Mayring (2010), the content analysis is a method that allows drawing specific conclusions based on the text under analysis. Applying this qualitative diagnostic method, the obtained results allow determining how a phenomenon (in this case, a career-related choice) is understood by the respondent who reflects on his/her experience.

Respondents. Sample was a convenient target because it was aimed to examine all theatre employees representing theatre departments: creative employees, administration, technical staff and other persons working in different positions. When performing the questionnaire survey, 31 out of 34 employees were surveyed.

Results

In the chosen city theatre, there worked 34 employees in 2016. During the anonymous questionnaire, 31 respondents were surveyed, i.e., almost 91% of all the theatre employees. There were surveyed 14 males and 17 females. The average age of respondents is 37 years. Among the surveyed respondents, 6.8% had vocational training, 25% secondary education, 3.2% higher non-university education, 65% university degree. The most common (55%) work experience among the respondents was up to 5 years, and the rarest (6.5%) 5-10 years.

Whereas, during the interview, theatre's Deputy Director for Marketing and Development stated that 2014-2015 were the years of challenges in the theatre. During the restructuration that took place a few years ago, 16 employees were fired or left voluntarily. High staff turnover (up to 43%) reveals that organisation had difficulties, financial as well as related to human resource management. Therefore, the new director of the theatre had to take care of organisation's human resources. The self-sufficiency plan was firstly oriented towards effective use of inner resources as well as attracting highly qualified candidates from outside.

After finding out the main sociodemographic data of respondents, the essential part of the questionnaire followed: the questions related to the staff motivation and motivation system. The first question aimed to find out how important it is for the employees to be able to express themselves, realise their abilities at work (self-expression). The respondents were asked to evaluate the importance of the category on a scale from 5 to 1 (5 – very important, 1- not important). As it can be seen in Figure 1, the possibilities of self-expression and self-realisation at work are very important for the biggest part of the respondents.

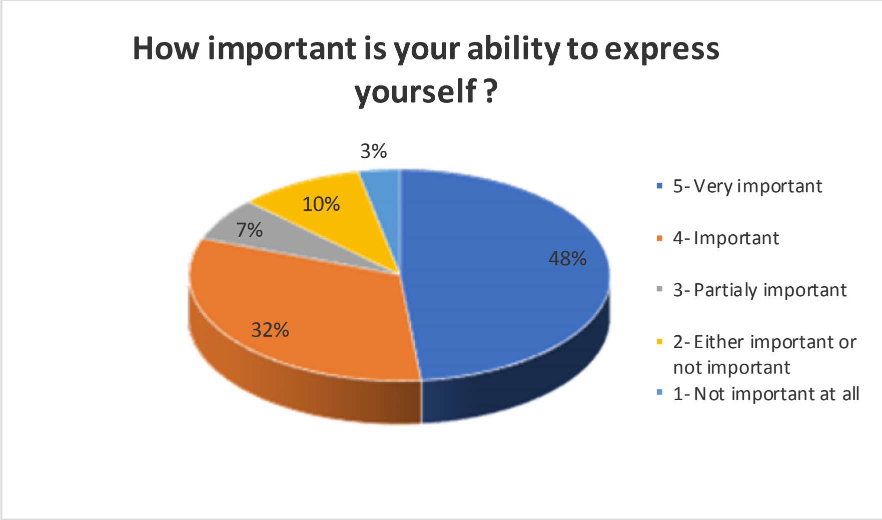

Figure 1. How important is the possibility to express yourself (self-expression)?

As it can be seen in the research results, the possibilities of self-expression are most valued by the representatives of art department (the average of answers is 5 points) out of all the members of the staff; whereas, self-expression is the least important for the technical staff, which is logical. The received results reveal that self-expression, self-realisation at work are highly significant for the creative employees of the theatre. When aiming to satisfy the needs for self-realisation of other theatre employees that do not perform creative work, they should be trusted with more freedom of action and included in the decision-making.

Afterwards, the attitudes on the already applied and concrete employee’s motivation tools of the theatre were revealed. The respondents were asked to evaluate the listed motivation tools in a scale from 5 to 1 (5 – very important, 1- not important).

Figure 2. Which motivation tools would motivate to work?

The results revealed that the most important motivation tool for the respondents out of the list is the possibility to increase qualification and learn. Actually, 67.7% of respondents said that the increase of qualification is very important (4.4 points). In the second place, the respondents named additional leave (3.3 points). According to the research results, the least motivating for the respondents are various discounts and benefits (3.2 points). The corporate staff events were evaluated by 2.9 points. Thus, it could be stated that most of the respondents understand the need for continuous improvement, increasing qualification. The needs for self-expression cause people to learn. As it was stated by the theatre's Deputy Director for Marketing and Development, the increase of qualification was previously mostly applied for the administration staff; however, it has been used more in other departments recently. As the participation in seminars, courses is usually payed, the organisation does not have sufficient resources; thus, it has been decided to apply for project funding of employee qualification improvement.

The theatre employees were asked about the work content and its meaning in the motivation process ("Does the work content influences your work motivation?"). The results revealed that 74.2% of respondents answered positively, 16.1% of respondents chose the answer "neither yes, nor no" and 9.1% stated "it does not". A very large number of respondents that said that work content influences their motivation revealed that work content is actually a very important work motivator in the theatre. Certain challenges can have a positive influence on the employee motivation; it is especially important for the employees that are oriented towards high aspirations at work.

In order to find out the most suitable motivation means, theatre employees were asked to evaluate the listed motivation factors in a scale from 5 to 1 (5 – very important, 1- not important). As it turned out, the respondents are mostly motivated by good working atmosphere (4.84 points), as well as good relationships with colleagues and managers (4.6 points) and suitable working conditions (4.2 points).

The least motivating is written thanking (1.5 points). This could be explained by the fact that written thanking is usually given formally and only during institution's celebrations.

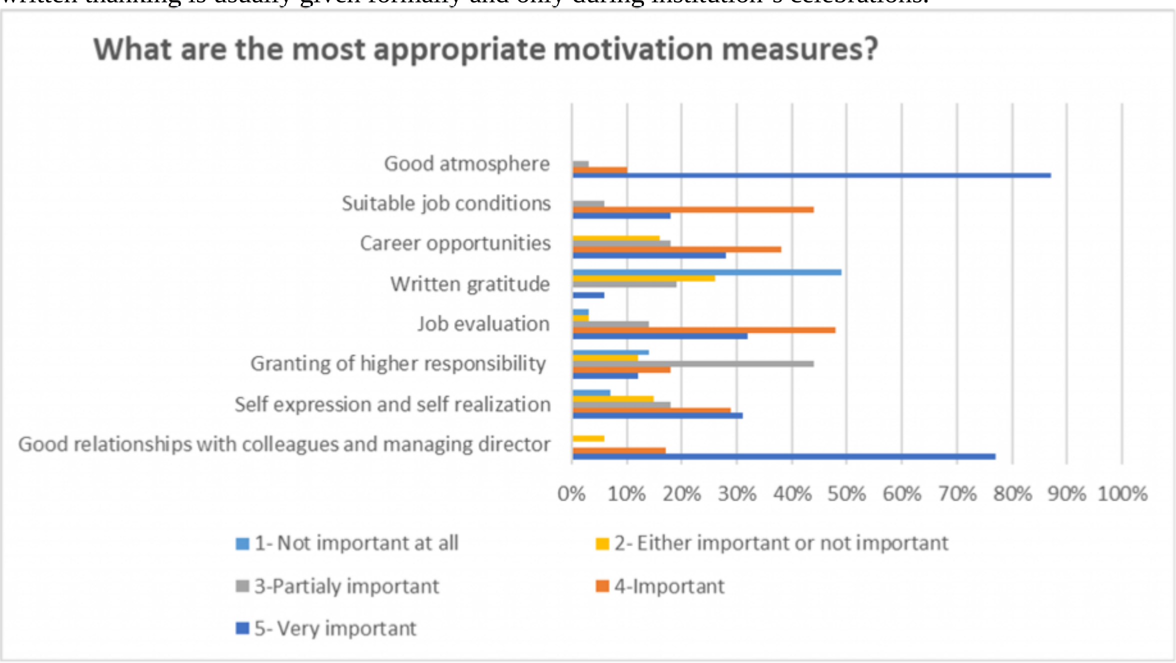

Figure 3. The most appropriate motivation tools

The working atmosphere that is very sensitively felt by the art employees is very important in the collective work. Due to the poor psychological climate in the organization, the satisfaction in working activities is lost, and the quality of work may suffer. During the interview, theatre's Deputy Director for Marketing and Development recollected that tense working atmosphere is related to the management methods of the former theatre director, because they reduced working efficiency, split staff, and due to various reasons, many good specialists and creative employees left.

Good relationships with colleagues, the unity of the staff could be increased by informal communication. The following practice that has already been applied in theatre since the last summer includes organised canoeing, employees using the swimming pool and SPA services in the Sport Recreation Centre each Friday for free, collective travelling to see newest performances in country's theatres.

A very important motivation factor in the process is working conditions. As it was said by one of the informants "at the moment, the physical environment of the theatre, i.e., theatre premises, repetition halls, makeup rooms, are not in a very good condition; it is cold there. Repairs are necessary, but the resources are lacking. Still, we initiated energetic audit; technical project for building insulation is prepared; we repaired The Small Hall's makeup rooms on our own financial resources".

The evaluation of work (the 3rd most important motivation tool according to theatre employees), human attention to the performed work create conditions for the employees to feel important in the workplace, identify with it. Therefore, according to the informant, recently established Theatre Strengthening Fund initiated new tradition: celebrating international theatre day, 2 theatre employees, one from the creative and the other from the technical, marketing departments or administration staff, were honoured by special signs of gratitude (artists, sculptors' copyright works were established in the facade wall of the theatre). A special honouring of the employees (not a standard written thanking but the exhibition of artist's dedicated creation in the central city square), making the work meaningful can become motivation and goal for the other employees.

The financial motivation remains very important; therefore, it was aimed to research employees' attitude towards financial incentives. Theatre employees were asked: "How do you think, should the wage depend on the employee's input, achieved result, individual merits?". This question was answered positively by 61.3% of respondents, possible variant "partially" was chosen by 38.7% of respondents, and none of the employees that were answering the questionnaire chose negative answer. However, as it was stated by one of the informants, the bonus payment system for roles is not suitable now. This system should be more motivating, characterised by objectivity, oriented towards high work quality. Theatre has very limited possibilities to motivate staff financially, but the work payment system should be more flexible and more dependent on work results.

At the end of the questionnaire, respondents were asked to rank 5 categories that influence employee motivation according to the importance.

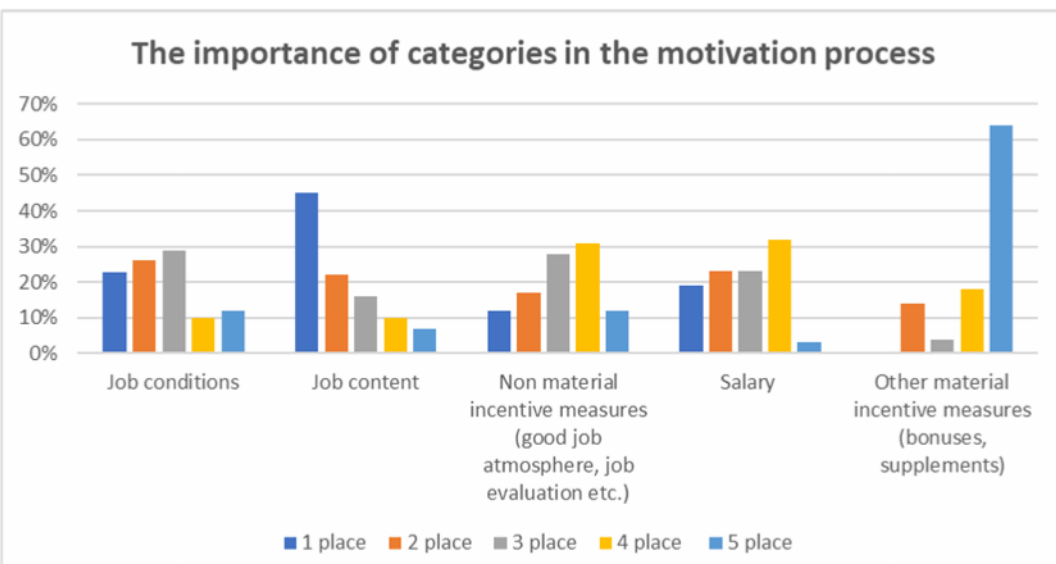

Figure 4. The importance of categories in the motivation process

Almost half (45% of the respondents) chose job content as the most important factor in the motivation process. The working conditions were chosen as the most important motivator by 22.6% of respondents, and even less, i.e., 19%, chose wage as the most important. Other named motivation factors were chosen by a smaller number of surveyed employees.

This research results clearly reveal that wage is not the most important motivator for the most of the employees. These results showed that by evaluating material and psychological motivation tools together most respondents prefer psychological tools. Actually, this corresponds to the fact that self-expression and self-realization possibilities at work are the very important for the respondents.

Conclusions

The peculiarities of art organisations are caused by the employees and art products presented to the public. At the same time, it requires a particular application system of motivation tools trying to satisfy, first of all, the employee's needs related to work content and self-realisation. The research results revealed that in the theatre, where the employees' wages are quite small, i.e., the safety (stability, distance from worries) needs are not satisfied, the most important of all is work content and need for self-expression.

It was found that a variety of motivation tools are applied in the researched theatre, i.e., financial, formal and psychological motivation tools by combining constant and traditional tools as well as possibilities to develop professional competences, work in the healthy psychological environment conditions, retain good relationships with managers and colleagues, have corporate events etc.

Moreover, original psychological tools that are applied in the organisation allow to honour eminent persons in a creative way and at the same time attract community's attention.

Educational activities as the staff's educational practice are applied as a motivation tool in the researched organisation but are not oriented towards team forming (it is only partially done in the creative employee trainings); though, there are a number of new employees in the staff that need professional as well as social adaptation.

The answers of respondents about the relation between their wage and input into the work supports the statement that some persons are motivated when they are satisfied with the wage proportional to their put efforts. The certification, i.e., assessment, of creative employees is applied in the organisation; however, it is still not related to the possibility to motivate employees that achieved greater results with payment and bonuses.

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The Theoretical Aspects of the Application of Social Marketing Tools to the Theatre Products for the Deaf and Hard-of Hearing Customers

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Abstract

In the last decade, due to the increase of the aspect of social cohesion, attention in the strategy documents of the European Union and the government of the Republic of Lithuania has been directed to the strengthening and purposeful promotion of the socially-oriented market economy. In addition, it is emphasised that the reduction of the social exclusion is viewed as a preferred direction, thus subordinate institutions have to invent and implement services that correspond to the needs of specific social groups by creating new or adapting already existing products. Cultural institutions can achieve the result of social cohesion by invoking methods of ***social marketing*** *that allow to transform products into tools efficiently speeding the integration process and in this way improving the social welfare in Lithuania. This thesis seeks to reveal the efficiency of social marketing tools by making the product of the professional theatre accessible to the segment of consumers with hearing impairment.*

Key words: Marketing; Social business, Hearing problems; Culture; Management

I. Introduction

Audience development is a relatively new field in the Lithuanian cultural sector, since professional marketing is still in its development stage, thus a vast majority of cultural institutions concentrate on the understanding of the *existing* theatre customer. Only the biggest state and national art institutions that have marketing departments allow themselves to **discover a new segment**, reduce social exclusion by creating new cultural products or adapting the existing ones and thus creating conceptually new *values for improving the social well-being*. Although it may pose something of a paradox, cultural institutions may strengthen social cohesion by employing the methods of **social marketing** to adapt cultural products that can be used as effective means to accelerate the integration process and increase the social well-being in Lithuania.

Problem and topicality: despite the authority and significance of state and international organisations issuing priority guidelines, institutions that implement them have no methodological guidelines regarding marginalised social groups, possible forms and aspects of their integration. Therefore, the topicality of this article lies in describing the integration of the selected the segment of the deaf and hard-of-hearing into the audience of professional theatre by adapting the product of professional theatre to the deaf and hard-of-hearing based on the principles of social marketing.

Research object: the adaptation of theatre product to the deaf and hard-of-hearing theatre customers by using social marketing tools.

The aim of the article: to analyse social marketing tools for the adaptation of theatre products to the deaf and hard-of-hearing theatre customers.

Objectives of the article:

- To provide the concept of social marketing product, theatre product and the aspect of its adaptation to the audiences with specific needs.
- To describe the characteristics of the deaf and hard-of-hearing theatre customers.

- To analyse the peculiarities of social marketing and its application to the theatre product.

Research methodology: the methods of secondary data selection and organisation, scholarly literature analysis and comparison are applied. The following types of Lithuanian and foreign scholarly literature are analysed: scholarly articles, publications on the topics of product, social marketing and customer.

II. The Concept and Tools of Social Marketing

Current technologies have provided institutions with a possibility to monitor its customers and to segment them, analyse their behaviour, needs, market basket and to use the summarised information for various long and short-term goals, as electronic media ensures fast access to the customer and reciprocal information spreading. At the same time, customers have never been so personally involved into the activities of various institutions by sharing and commenting on their personal social network accounts. From the marketing perspective, such an open field of communication, encompassing both institutions and customers can be viewed **from two standpoints:**

- When pursuing short-term economic goals, social networks could be used to reach a target customer in order to sell the product or service more quickly. In this case, building a closer relationship with customers is not a priority.

- From the perspective of long-term goals, the key issues faced by the customer or a group of customers could be analysed to create and offer a product or service that would help to solve the above-mentioned issue. In this case, marketing becomes a social process that meets human needs related to the change in resources and values and thus performs not only the mare sales function to increase the profit.

Social marketing *is a marketing discipline influencing customer behaviour, utilising systematic planning process that applies principles and techniques of classical marketing, focusing on priority audience segments and delivering positive benefit for society* (Lee 2012).

Although social marketing is not a new marketing discipline, it has not been thoroughly scrutinised by the Lithuanian scholars. It is considered to have originated from a rhetorical question “why can’t you sell brotherhood just like you sell soap?” posed more than fifty years ago. A psychologist Gerhard D. Wiebe suggested that marketing can be used to solve social problems and the more non-profit organisations use commercial marketing campaigns, the more chances at success they have. Later on this spontaneous idea expressed by Wiebe about the application of commercial marketing to social issues was expanded and defined through a concept of social marketing, which is currently closely related to the ideology of organisations’ social responsibility. Various definitions of social marketing are provided in Table 1.

Table 1

The definitions of social marketing

Author	Year	Definition
Lee & Kotler	2012	Social marketing is a **distinct marketing discipline** which attempts to influence behaviours through the prism of positivity: improve health, prevent injuries, protect the environment, contribute to communities and strengthen other factors that enhance social well-being (Lee et al. 2012:7).
International Social Marketing Association	2013	Social marketing integrates and develops classical marketing concepts with other approaches to influence behaviours that benefit individuals and communities for the greater social good. Social marketing practice is guided by ethical principles. It seeks to integrate research, bets practice, theory, audience and partnership insight to inform the delivery of competition sensitive and segmented social change programmes that are effective, efficient, equitable and sustainable (ISMA 2013:1).
Pykett, Jones, Welsh, Whitehead	2014	Social marketing is an increasingly popular **method** by which governments and public bodies deploy marketing principles and techniques in order to achieve 'social goods' (Pykett et al. 2014:97).
Saunders., Barrington, Sridharan	2015	Social marketing is the application of marketing principles to enable individual and collective ideas and actions in pursuit of effective, efficient, equitable, fair and sustained social transformation (Saunders et al. 2015:165).
Serrat	2017	Social marketing is the use of marketing principles and techniques to effect behavioural change. It is a **concept**, **process**, and application for understanding who people are, what they desire, and then organising the creation, communication, and delivery of products and services to meet their desires as well as the needs of society, and solve serious social problems (Serrat 2017:119).

Source: based on Lee N. R., Kotler P. 2012. *Social marketing: Influencing Behaviors for Good* (4th ed.), California: Thousand Oaks; ISMA (International Social Marketing Association). 2013. *Consensus Definition of Social Marketing.* Accessed on: http://www.i-socialmarketing.org/assets/social_marketing_definition.pdf, [Date of access 2017-10-21]; Pykett J. et al. 2014. The Art of Choosing and the Politics of Social Marketing. *Policy Studies,* Vol. 35 (2):97-114.; Saunders S. G., Barrington D. J., Sridharan S. 2015. Redefining Social Marketing: Beyond Behavioral Change. *Journal of Social Marketing,* Vol. 5 (2):160-168.; Serrat O. 2017. *Knowledge Solutions: Tools, Methods, and Approaches to drive Organizational Performance*. Singapore: Springer.

The definitions provided in Table 1 show that scholars have not reached a single definition of social marketing, as every definition emphasises a different aspect in the marketing concept, while social marketing is defined as: a distinct marketing discipline, method, application of marketing principles, concept and process. However, all the authors providing the above-mentioned definitions agree that **social marketing strives at enhancing social well-being.** The majority of definitions relate social marketing to **behavioural changes** which are achieved by applying **commercial marketing techniques**. Every definition provided in Table 1 is unique and emphasises distinct aspects of the concept of social marketing.

Having summarised the definitions of social marketing, it can be defined as follows: **social marketing is a distinct marketing discipline pertaining to marketing field, which is frequently used in state and public institutions, is based on the principles of commercial marketing and influences behavioural changes which encourage effective, efficient, equitable, fair and sustained social well-being.** To implement social changes, one must listen to the needs and problems of the segment that the change is aimed at, act together with other interested parties that seek to implement the same changes, i.e., educational institutions, public and/or business sector. The above-mentioned definition will be applied in the present article.

Due to the positive influence on society, social marketing has found its place in both the fields of classical marketing and social politics by continuing to offer new ideas to solve existing problems through the most advanced market strategies and innovations. As social marketing offers innovative solutions, creates and implements effective strategies to problems arising in the field of social politics, it attracts significant research and development funds which are not present in the fields of commercial marketing. Despite this tendency the social marketing is still often confused with commercial marketing due to the similarities in their concepts. Having organised the information, Table 2 was drawn to summarise the similarities and differences of social and commercial marketing.

Table 2

The similarities and differences of social and commercial marketing

DIFFERENCES:	**Social marketing**	**Commercial marketing**
Goal	Societal gain	Financial gain
Techniques	Influence behaviour to reach well-being	Sell products and services to reach financial gain.
Target audience	Target audience segments are chosen based on a different set of criteria, including prevalence of the social problem, ability to reach the audience, readiness for change and desire to solve the problem.	Primary target audience segments that will provide the greatest volume of profitable sales are chosen.
Competitive environment	Current or preferred negative behaviour.	Other organisations focusing on financial gain.
Perceived benefit	Achieved positive behaviour.	Profit.
SIMILARITIES:	**Social marketing**	**Commercial marketing**
Customer	Critical customer orientation towards the offers.	
Relations with a customer	Exchange theory is key. The target audience must perceive the benefits of behavioural change/product/service as equal or exceeding the perceived costs/attempts.	
Process	The marketing strategies can be improved only throughout the process, by researching specific needs of the customer.	
Segmented customers	Successful implementation of the strategy is possible only when tailoring it to the target audience.	
Applied 4Ps	To reach the best results an integrated approach tailored to the target segment is used.	
Result	Results and measures are used for improvement.	

Source: based on Lee N. R., Kotler P. 2012. *Social Marketing: Influencing Behaviors for Good* (4th ed.), California: Thousand Oaks, 2012:14-15.

Therefore when comparing the information on commercial and social marketing provided in Table 2, it can be summarised that excluding relations with a customer, process, peculiarities of the applied 4Ps, commercial marketing is oriented towards satisfying the short-term needs of customers and uses the marketing tools for the purpose of achieving financial gain rather than reaching well-being. Social marketing, on the other hand, is oriented towards a **long-term human well-being** and focuses on what's best for society when satisfying the needs of a customer. The greatest competitor of social marketing is not other institutions, but rather the existing or preferred negative behaviour of the target audience.

Social marketing is unique with regard to the tools of behavioural change, since the offer is based on the understanding of the personal interests and values of the target audience which are considered as a reward for the achieved behavioural change. The benefit gain or the reduction of obstacles is considered to be the most important in the concept of value exchange. The 4Ps of classical marketing, i.e., **product, price, place, promotion** are the **key tools of social marketing** (Table 3), used to reduce obstacles and strengthen well-being, which encourages the target segment to change its behaviour. At the same time, they constitute the basics of the key social marketing intervention elements.

Table 3

Social marketing tools

Tools	Description	Types
Product	The offer is made to target group	• Adoption of idea (belief, attitude, value); • Adoption of behaviour (one-off, sustained); • Desistence from current behaviour; • Non-adoption of future behaviour.
Price	The costs that target group has to bear	Psychological, emotional, cultural, social, behavioural, temporal, physical, financial.
Place	The channels by which the change is promoted and places in which the change is supported and encouraged	Distribution channels Interpersonal channels Physical places Non-physical places
Promotion	The means by which the change is promoted to the target	Advertising Public relations Media advocacy Direct/electronic mail Interpersonal etc.

Source: MacFadyen L., Stead M., Hastings G. B. 2003. Social Marketing. *The Marketing Book (5th ed).* Oxford: Butterwoth-Heinemann, p. 714.

Product is one of the key tools that initiates behavioural change or strengthens social well-being. Since social marketing products are frequently intangible, it is important to determine and indicate the **attributes and peculiarities** of the product that will allow reaching the desired **goal** during the initial stage of creating the product concept. Marketing specialists MacFadyen, Stead & Hastings have laid the attributes by which social marketing products can be identified and formulated (MacFadyen et al. 2003:715):

- **Trialability**. Can the behaviour be tried out before permanent or full adoption (e.g. wearing a cycling helmet)?
- **Ease**. How easy or difficult is it to adopt the behaviour which will contribute to the social well-being (wearing a seat belt versus giving up smoking)?
- **Risk**. What are the risks and discomforts that the target adopters will face?
- **Image**. Is the behaviour attractive or unattractive to the target adopters?
- **Acceptability**. Is the behaviour socially acceptable?
- **Duration**. Is the behaviour to be practiced once or repeatedly? Is it to be sustained over the short or long term?
- **Cost**. Does the behaviour have a financial cost or not?

Compared to the commercial marketing, the most problematic aspect of social marketing product is **limited resources** (financial, human, information, etc.), which is influenced by niche market and **dependence on political tendencies**: Governmental policies or the strategies of local authorities may dictate only one suitable method or technique of forming behaviour thus rejecting alternative possibilities that the social marketing product may offer (MacFadyen et al. 2003). Therefore, favourable laws and finding partners willing to contribute are particularly important for the implementation of social marketing project.

Price is a payment that the target group makes for the desired changes. As in the commercial marketing, payment can be monetary on non-monetary, however the price is paid not only for the product, but also for the increase of social well-being. It is important to point out that non-financial costs are more significant than the financial ones, as they are related to the psychological or physical risk and possible disappointment, therefore it is specifically important that the value of the offers made to the target audience is equal or exceeds the incurred costs (Lee et al. 2012).

Place in social marketing refers to the behavioural change **distribution channels** (physical, virtual, interpersonal, social, cultural) and **a physical place**, where the changes are encouraged and supported (in schools, at home, in cultural centres, communities, etc.). This means that all the place variables are equally important.

Distribution channels are means which are the most acceptable and most frequently used by the target segment (pedestrian walkways / bicycle paths, help line, mobile containers of hazardous waste) and encompass not only the physical places. The strategies created with this social marketing tool have to ensure the convenience of the behavioural changes sought by the target audience and the products and services related to them as well as to create a pleasurable process. Well known specialists in the field of social marketing Lee & Kotler differentiate the following place strategies that bring advantage to the implementation of social marketing project (Lee at al. 2012:292-302):

- Make the location closer to the target market segment (e.g. mobile dentist office for children).
- Extend office hours (e.g. possibility to vote through email).
- Be there at the point of decision making (e.g. trained volunteers anonymously provide information on the damage of narcotic substances at night clubs).
- Make the location more appealing (e.g. the plan for the installation and implementation of city bicycle paths).
- Overcome psychological barriers related to the preconceived notion of the physical place (e.g. the publication of pictures and stories about animals growing in animal shelters on a webpage).
- Be more accessible than the competition (e.g. designing a strong visual strategy for healthy food at school canteens).
- Make accessing competition more difficult and unpleasant (e.g. the ban to smoke in public places).
- Be where the target audience shops and dines (e.g. the clinic of preventive breast cancer checks in a shopping mall).
- Be where the target audience hangs out (e.g. HIV tests in saunas, night clubs).
- Work with existing distribution channels (e.g. online programme which joins pharmaceutical institutions that provide support to poor countries).

Promotion is a set of tools that promote the behavioural changes of the target audience, for instance, advertising, price promotion, emails or interpersonal communication, information on social networks. Social marketing promotion tools should play a **supportive**

rather than the main role in the initiated changes. French & Gordon claim that "advertising and communications alone are unlikely to lead to change" (French et al. 2015:99). However, the promotion tools and their forms selected for the target audience should be based on research results revealing the information forms (written, audio, visual), channels and tools that are the most appropriate for the target audience. The above-mentioned scholars point out that the following characteristics are to be taken into account:

- Simplicity of a language,
- Clear fonts,
- Appropriate layout design.

It is important that prior to publishing, the information is tested on the target segment, thus identifying and correcting any issues. It is also important to acknowledge that a society as a target audience uses a variety of channels, therefore focusing on a single distribution channel may be ineffective. Advertising and promotion may help creating an attractive image of social changes, however the emphasis should be placed on the fact that this is only one of the tools of social marketing (French et al. 2015).

The scholarly literature on social marketing sheds the light on the importance of the interaction with the society known as public relations (French 2015). It should be noted that similarly to social marketing, the term of public relations can be used in two ways and describes two categories: functional and paradigmatic (Table 4):

Table 4

Different meanings of the concepts of public relations

The definition of concept	Functional category	Paradigmatic category
Public relations	Actions to form the audience's opinion based on self-serving goals.	Pursuit of mutual understanding without any benefits.
Social marketing	Actions related to advertising and communication on social networks.	The use of marketing tools and methods in pursuit of social well-being.

Source: created by the author

The article employs paradigmatic categories to review social marketing.

When analysing the topic of social marketing and public relations into more detail, it needs to be stated that in order to improve the society's life quality, social marketing needs to include a more serious dialogue between interested and executing parties than that taking place in commercial marketing as the plans to be implemented are more ambitious. Most frequently there are two, sometimes even **three parties** involved in the process: *executive institution, various social groups* and *other institutions contributing to the project*. Therefore, prior to the implementation of the project, it is essentially important to assess its scope in order to establish clear behaviour goals and effective measures for purposeful implementation (Serrat 2017:123).

The effectiveness of social marketing is based on the direct impact on behavioural change. It usually manifests itself in five levels:

- *Accepting* a new behaviour, e.g. waste sorting;
- *Rejecting* a potentially undesirable behaviour, e.g., rejecting a habit to smoke;
- *Modifying* behaviour, e.g. increase physical activity from fifteen minutes to a half and hour;
- *Abandoning* an undesirable behaviour, e.g. talking on the phone while driving;

- *Continuing* a desired behaviour, e.g. regularly giving blood for donor programmes;
- *Switching* a behaviour, e.g., taking the stairs instead of using an elevator (Lee 2012:9).

The main challenge of social marketing is acting through positivity, i.e., only the behavioural changes can be rewarded. However, a person refusing to change ones behaviour is not punished through legal, economic or other coercive forms of influence, despite its effectiveness.

The second challenge lies in the fact that social marketing specialists cannot promise fast positive effect for a behavioural change. Therefore, despite positive goals, social marketing loses a part of its appeal.

Therefore, taking into consideration the nature of social marketing, differently from commercial marketing it is oriented towards a relationship with a specific social segment in order to change its behaviour and in the long term to strengthen well-being by using adapted marketing tools.

The Characteristics of a Theatre Product

Potentially, social market can be implemented through art or **theatre** products, as the mission of a theatre, i.e., *to encourage people's spiritual development, raise creative, open, civil society and create a modern country fostering national identity, language, traditions and values of Lithuania and other nations* (LRS 2016:1) is closely related to the strengthening of social well-being. Compared to commercial market-oriented institutions, theatre distinguishes itself by its main purpose, i.e., the pursuit of artistic and not financial goals, known as artistic success (Rauhe 2004).

Rudzioniene notes another difference between cultural and business sectors – the product peculiarities. Compared to the tangible and easily perceived products of business sector, cultural products are usually intangible (plays, exhibitions in museums, library and information services, etc.), therefore the customer finds it more difficult to evaluate them. Due to this fact, marketing which faces considerable challenges is exceptionally important (Rudzioniene 2007).

Theatre product possesses the following characteristics (Fig. 1):

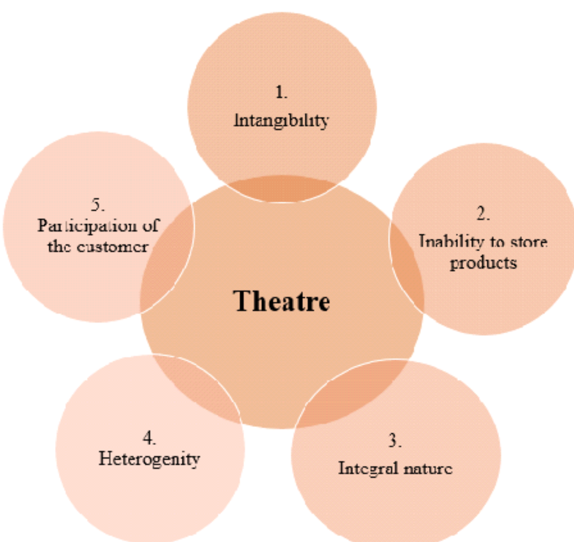

Fig. 1. The characteristics of a theatre product

Source: created by the author based on Levickaite 2010, Mazeikiene 2007, Pavis 1998, Pranulis 2012, Rudzioniene 2007, Staniskyte 2015, Varbanova 2013, Volz 2011.

- **Intangibility:** Pranulis points out that a service is a process or an activity which is physically intangible based on its type, while the property that provides it is non-transferrable. "Intangibility creates a considerable amount of issues to both customers and service providers. The customers find it difficult to evaluate the benefit of the service prior to its use as they have to rely on their expectations, prior experience or simply trust the service provider. The providers face a challenge of presenting their service and explaining the customers its benefit as they have to talk about an object which is intangible and at that moment physically non-existent" (Pranulis 2012:526). Varbanova claims that the result of a cultural product can be categorised into **tangible** and **intangible**. Services, such as entertainment, plays, concerts, etc. fall under the category of intangible services (Varbanova 2013). Levickaite states that currently it is difficult to differentiate between a product and a service, since the biggest share of product value relies on such intangible objects as idea and design, however in all respects the most important characteristics of a creative product is the result of a creative activity which gains economic value when the idea is transformed into matter and an abstract object acquires a specific shape. When the idea has a practical application it gains economic value and becomes a property and an object of economic trade. Creative product, both service and product, is then considered the result of creativity (Levickaite 2010).
- **Inability to store products** is one of the key characteristics of a theatre product and challenges of a market, as unlike paintings, customers are unable to store plays. As stated by Pranulis, "inability to store products would not pose serious concerns if the demand would always be stable and known beforehand" (Pranulis 2012:527). However, changes and unpredictability of the demand is one of the most complex elements in the marketing of cultural institutions, as independently from the changed demand, it is not always easy to regulate the activities of the institution. Rudzioniene points out that "services cannot be stored or accumulated as tangible material objects and be offered to the customer whenever he needs them" (Rudzioniene, 2007:44).
- **Integral nature** refers to a strong *absolute dependence* between customer and service provider or an audience member and an author. When carrying out the analysis in the field of theatre Volz claims that despite a myriad of people that work in a theatre and produce a play, both audience and actors constitute integral parts of the play. They are the only requisite constituents of a play (Volz 2011).
- **Heterogenity** is the *interaction* between a customer and the actors of a play which influence one another. Therefore, it is said, that there are no identical plays as it is impossible to make two plays in an identical manner. Such difference in services is determined by different interaction between actors and the audience, as "by abstracted plays, which to some extent rely on formalistic artistic style, the directors aim at destabilising traditional viewing habits of an audience member, encourages to experience an individual pleasure of reading a directed text, while by emphasising the materialism of an act that takes place *here* and *now*, the artists attempt at establishing a sensory/emotional connection with the viewer" (Mazeikiene 2007:430). Staniskyte notes that it may be possible that not everyone views this interaction as acceptable and appropriate as sometimes when a creative team invites the audience to join them, they

feel uncomfortable and avert their eyes. It depends on the relation between the theatre and its viewers (Staniskyte 2015).

- **Customer's participation in the process of service provision (simultaneous)** means that the service is provided and used at the same time. While analysing the issue of the interface between the theatre and its audience, Staniskyte points out the traditional formula of a play in action and its viewers "A plays while B watches C", where A is an actor that plays a character B, which is simultaneously observed by the viewer C who experiences the miracle of impersonation and notices that the interaction between the viewer and contemporary theatre has shifted as the viewer is invited to take an active position, i.e. actively participate, create, influence the play leaving the concept of a passive viewer behind (Staniskyte 2015). Irrespective of being active or passive, participation is the key criterion that differentiates theatre from other branches of art, as even if a spectator is watching an unacceptable or displeasing play, in order to evaluate it he has to at least partially get involved into the act that takes place on stage. Naturally, positive involvement is much stronger, therefore the interaction between the actor and the viewer, the circulation of their energy is much stronger.

Thus, the key element of a theatre product and service is the viewer, to whom the plays that provoke empathy, critical thinking, cognition and strong feelings of community experience are dedicated.

As this article analyses the state sector and theatres which are partially funded from budget funds, the fact that the state poses some requirements that must be reflected in the final product in exchange for grants, has to be taken into account. These tasks are laid in the Law on Theatres and Concert Institutions of the Republic of Lithuania (LRS 2016:5-6) which describes and indicates the purpose of national theatres. It can be observed that one of the key priorities is **to ensure the availability of professional stage art to all social groups of the country**. According to Staniskyte it is one of the ideological and practical tools to implement the EU cultural policies that state the need to increase the availability of art and cultural activities in Europe. This provision is influenced by deteriorating population demographics, increased competition from the industry of customer-oriented interactive entertainment, the fact that the number of viewers that participate in art and cultural events has dropped by nearly a half, etc. (Staniskyte 2015).

Indeed, the theatres may view this priority from a nihilistic and formal perspective, as it is a great task to ensure the availability of professional stage art to *all* social groups of a country which forces one to think about social groups that up till some point could not visit professional theatres due to certain reasons. However, on the other hand, striving to provide possibilities to viewing plays by removing the obstacles and adapting the product based on specific criteria provides a possibility for **innovations** in cultural sector. A successfully implemented innovation not only increases the value of a product, but also of a sector that created it. Innovations do not require a new product to be created as often the products are improved or **adapted to satisfy new needs**, thus finding new markets for the said products. "Therefore, new methods and new markets can also be considered innovations" (Povilaitis et al. 2007:827).

The Deaf and Hard-of-Hearing Customers and their Characteristics

The paradigmatic goal of both commercial and social marketing is the establishment of a relationship with a customer and the satisfaction of his needs. In order to reach this goal the customer behaviour, lifestyle, habits, likes and needs are analysed. The customers themselves often analyse the circumstances that led to their decision to buy a specific product or service, however it is a priority research field in business, since the understanding of what influences the customer can increase turnover and help to take a strong position among competitors.

Decker argues that the majority of contemporary customers can be described as rational, having a high level of calculation skills and inseparable from their environment, however the increasing amount of scholarly research on customers shows that the customers tend to behave in a non-standard manner, therefore the definition of a customer gradually shifts from standard to "**non-standard**" (Decker 2017). Staniskyte that analyses the development of theatre audiences agrees claiming that the term "audience development" refers to the target of the art work not as a whole, but rather from an individualised perspective, as the practice of using new media prompted even the representatives of traditional arts to view the audience not as a mass, but as consisting of different, ever-changing individuals that have various needs, possibilities and expectations (Staniskyte 2013).

The EU priority guidelines for cultural policies emphasise the increase of cultural availability, i.e., encourages individuals and communities to experience, evaluate and enjoy arts and inspires artists to create not only to a specific audience, but to involve it into the creative process (ES 2014:1).

The attention of the EU priority cultural policies has shifted towards the audience development during the last decades of the 20th century, when the cultural policy makers in Great Britain and Scandinavia declared art the most effective tool to reduce social exclusion and allocated their funds to attracting the audiences with limited possibilities, i.e., the unemployed, the ethnic minorities, the socially vulnerable and the people with disabilities thus finding new audiences (Staniskyte 2013). New and, up till that point, unknown viewers with disabilities pose a great challenge to the art market and management as similarly to the customer of culture, the data on the segment of customers with disabilities is insufficient.

The UN Convention on the Rights of Persons with Disabilities states that persons with disabilities include those who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others (NRD 2009). As every disability is different in its nature, the characteristics and the managerial aspects related to the segment of the deaf and hard-of-hearing will be analysed into more detail.

In accordance with the data of 2005–2017 submitted by the Disability and Working Capacity Assessment Office under the Ministry of Social Security and Labour of the Republic of Lithuania, there are 5 691 deaf and approximately 20 000 hard-of-hearing people, which up till this point, had no or limited possibilities of using the services of professional theatre or other cultural institutions that are usual to the people with no disabilities. Deafness or partial deafness is not clearly expressed and is considered to be a hidden disability. It affects all spheres of life and damages a person's mental health, reduces intellectual advancement, determines the lack of education, social status, limits professional possibilities, severely hinders the access to information (Taljunaite et al. 2013). The factor that differentiates the deaf and hard-of-hearing from other people with disabilities is their own language, known as sign language. The use of sign language and the above-mentioned reasons have led to the social isolation, lower level of education, limited possibilities to compete in labour market of the deaf and hard-of-hearing. "The person, whose acts are determined by his disability, undertakes a certain social role which reduces his self-esteem and ability to adapt to social environment" (Kvieskiene et al. 2014:12).

This statement is confirmed by the conclusions reached by scholars Kiusaite & Jaros that due to the hearing impairment, such people avoid their speaking peers as they do not understand each other. Therefore deafness becomes the cause of isolation which later on leads to other problems: negative emotions, irritability, anger and sometimes depression (Kiusaitė et al. 2012).

In order to thoroughly reveal the characteristics of the deaf and hard-of-hearing, Table 5 has been drawn based on the scholarly research. It is significant to point out that the table has been drawn based solely on the research carried out by the Lithuanian scholars about the deaf and hard-of-hearing living in Lithuania, since geographic, social, cultural and political environment has a direct impact on the formation of a person's character.

Table 5

The characteristics of the deaf and hard-of-hearing

Negative characteristics	Positive characteristics based on research
The results of subjective physical, psychological, independence, spiritual, religious and belief assessments are worse than those of people without developmental disorders (Reklaitiene et al. 2010:14).	The survey showed that the deaf or hard-of-hearing have evaluated their general quality of life and environment better than people without developmental disorders (without hearing impairment) (Reklaitiene et al. 2010:14).
Undeveloped communication skills, able to communicate only by sign language, the level of literacy is low (Taljunaite et al. 2013:81).	The survey showed that the deaf and hard-of-hearing pass their driving theory exam with 93 per cent accuracy, while the average of people without hearing impairment is 67 per cent. This fact is explained by an exceptional visual memory (Kanapinskas 2012).
Often express feelings of self-consciousness, negative thinking, lack of motivation (Taljunaite et al. 2013)	

Source: based on Reklaitiene et al. 2010. Deaf persons and persons with hearing disabilities quality of life assessment. *Special education/Specialusis Ugdymas*,1:14; Taljunaite M., Balinskiene A. 2013. Persons with hearing disabilities opportunities into the labour market. *Research and Updates in Social Work: Continious Publication of Scienctific Articles/ Socialinio Darbo Tyrimai Ir Aktualijos: Tęstinis Mokslo Straipsnių Leidinys. T. 2* (*2*): 81; Kanapinskas, D. 2012. Persons with hearing disabilities problems with learning to drive and learning in general in Lithuania. *Pedagogy: Scientific study /Pedagogika: Mokslo Darbai, 106*:88.

When organising the information on the characteristics of the deaf and hard-of-hearing, the author faced a lack of information, since the Lithuanian scholars show little interest in the life quality of people with disabilities, therefore this topic has not been thoroughly researched. Due to the above-mentioned reason, the research carried out by Reklaitiene, Taljunaite and Kanapinskas are essential when analysing the new segment of customers of cultural product, as they allow understanding the deaf and hard-of-hearing not only as a person who is shy of personal contact, but as a closed community that views social relations, participation in recreational and leisure activities more positively than people without hearing impairment. Reklaitiene notes that although due to physical health, independence, spirituality, the satisfaction with life index of the deaf and hard-of-hearing was lower compared to the people with no developmental disorders, the life quality itself constitutes more than the above-mentioned indices, as general life quality and environment received higher assessment. Environment refers to the physical safety, participation in recreational and leisure activities. It shows the ability of the deaf and hard-of-hearing to cope with their disability, live with it and take it as a natural thing in their daily life (Reklaitiene et al. 2010). However, all scholars (Kvieskiene et. al. 2014, Taljunaite et al. 2013, Kanapinskas 2012) unanimously emphasise **the importance of integrating** this social group into society by providing equal possibilities in social, cultural, academic, legal and other environments, which would help avoiding the exclusion of this social group. As claimed by Ruskus, integration is a process, whose implementation requires the kindness and solid knowledge of a society (Ruskus 1997).

Taking into consideration the EU and LRS priorities on the availability of culture, it can be stated that a new segment, i.e., the deaf and hard-of-hearing, which is less known to the fields of professional culture (especially theatre) can be considered as a part of audience development.

There is no scholarly research on the segment of the deaf and hard-of hearing as customers or culture customers in the Lithuanian language. Taking into account the existing scholarly articles, the conclusion can be reached that it is a closed segment that has internal traditions, active social life, therefore it feels uncomfortable communicating to the “outside” mainly due to **the obstacles arising from the communication and understanding of information**. Although the process of development differs from that of the healthy members of society due to the fact that it is the only disability that cannot be seen visually and the sign language that compensates it, it can be stated that deafness is more of a state rather than disability, therefore people should rather be integrated into society by adapting products that remove the above-mentioned obstacles than treated.

The Peculiarities of Adapting Theatre Product to the Deaf and Hard-of-Hearing Customers by Using the Tools of Social Marketing

As there is usually more than one party contributing to the implementation of the project, it is necessary to emphasise the **strict deadline** of works that ensures their effectiveness.

In order to adapt the product to the specific segment of the deaf and hard-of-hearing the subtitling equipment is recommended as a tool to reduce the obstacles of understanding the product while **concentrated marketing promotion tools** are applied to concentrate on the characteristics of the deaf and hard-of-hearing viewer. As this group is characterised as being closed, promotion tools will be more effective if the representatives of this segment are included into the stages of creating a communication plan and promotion works.

The involvement of target segment into planned works or their implementation is especially important to the quality of the result of implemented project, therefore the scheme provided in Fig. 2 starts from the market segmentation, as the understanding of the dysfunction and the product meant to remove it is the key part of the project; nevertheless the understanding of **the character traits**, needs, habits and priorities of the segment which allows to choose more accurate tools to adapt the product is of equal importance. Thus, the target segment, which is involved into planning and implementation of the project allows analysing the above-mentioned peculiarities and reducing the possibility of choosing the wrong tool or strategy. Therefore, when adapting the theatre product to the deaf and hard-of-hearing customers **all the stages indicated in Fig. 2 are interconnected** based on the target segment of the deaf and hard-of-hearing and the tools, methods or solutions that it finds the most acceptable.

Apart from the obstacles faced by the target segment and the knowledge of its character traits, it is important to understand the **need** of the created product that arises in the stage of situation analysis, since the attraction of the society, academic and commercial sectors, although complying to the concept of social marketing, may be destined for failure, simply due to the fact that the target audience do not need it.

It can be stated that the understanding of the disability and character traits of the target segment as well as the assessment of the need are the initial and key elements that are addressed at the start of the social marketing plan, while one of the focal elements in the stage of implementation is the involvement of target segment that is especially important to the success of sales **promotion**.

The light should be shed on **the monitoring and assessment stage** as well, since the target audience to whom the adapted product has been dedicated, may see parts of the product or its defects that need to be worked on. Therefore, their remarks are exceptionally important for the subsequent development of the product.

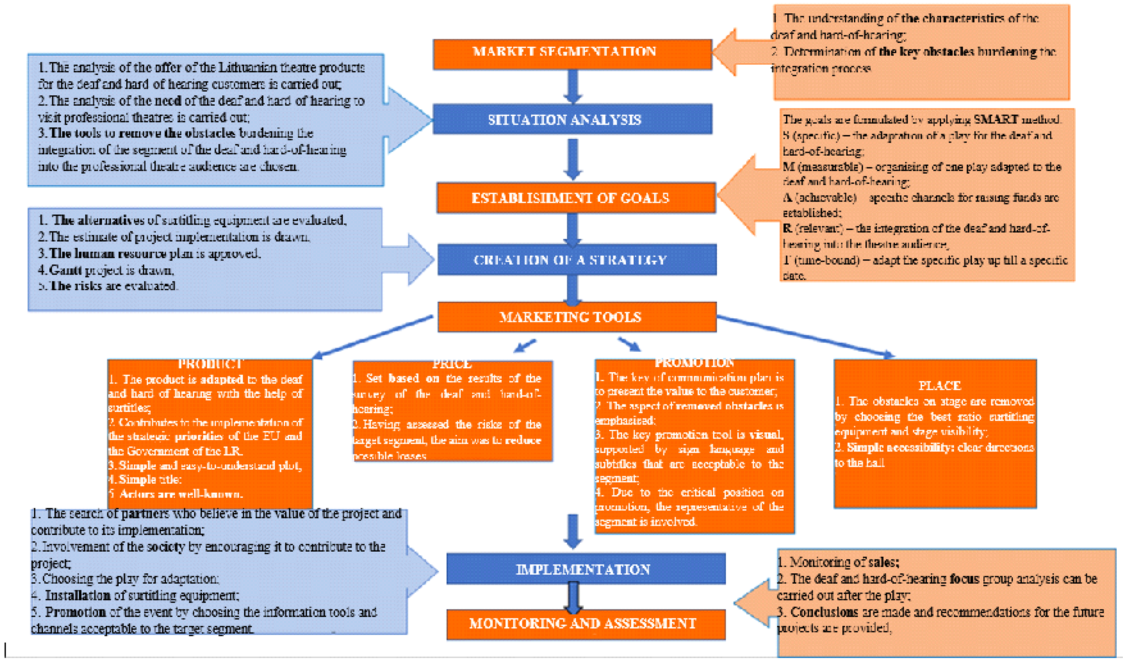

Fig. 2. The peculiarities of adapting professional theatre product to the deaf and hard-of-hearing customers by using social marketing tools

Conclusions

- Social marketing is a distinct marketing discipline whose principle is to influence customer behaviour through the prism of positivity, i.e., to promote healthy lifestyle, prevent injuries, protect the environment, contribute to communities and strengthen other factors that enhance social well-being. The main task of social marketing is to solve the issues of the society or separate society groups with the help of a product by applying the strategies of classical marketing and aiming at strengthening social well-being.

- By creatively adapting existing theatre product to a new market segment, the product gains new value and becomes innovative. The aspect of new experiences and innovativeness is especially significant when the product helps the niche segment burdened by specific obstacles and frustrations *to turn such problems into possibilities*. Social marketing follows the above-mentioned principle. The product created by professional theatre may not only satisfy the individual expectations of customers or represent their values but also solve social problems.

- The peculiarities of the deaf and hard-of-hearing customers have not been investigated by scholars. Having conducted the literary analysis it can be stated that due to their development in a closed community with unique traditions, the segment of the deaf and hard-of-hearing can be characterised by exceptional cautiousness when trying out new products that are offered outside the boundaries of “safe and usual” community of the deaf and hard-of-hearing. This social group possesses self-consciousness and negative thinking arising from the hearing impairment. The main task of the institution attempting to integrate the deaf and hard-of-hearing into their customer group is to remove this barrier by employing empathic design and carrying out the customer analysis prior to its implementation.

- The revealed peculiarities of the adaptation of theatre product to the segment of the deaf and hard-of-hearing by using the tools of social marketing are the following: market segmentation, establishment of goals, creation, implementation and assessment of a strategy, based on the needs of the segment of the deaf and hard-of-hearing, the possibilities of the theatre to adapt the product, place, price, and promotion possibilities.

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