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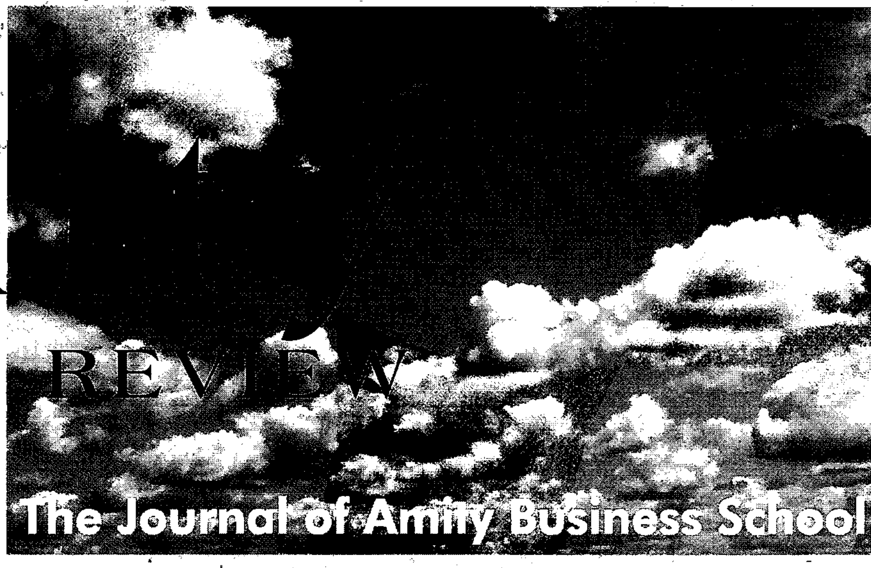

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IMPACT OF DATA MINING ON PRIVACY-ETHICAL PERSPECTIVE

Loveleen Gaur* & Rakesh K. Sharma**

Today decision makers are not depending on gut feeling for decision, but it is supported by data. Otherwise their decisions can be questioned by stockholders and attorneys. Data Mining can support decision makers and provide deeper insight into data and is mainly used to extract hidden pattern from mountain of data. Data Mining is extensively used in telecommunications, financial services, insurance, customer relationship management (CRM), and retail. Recently it has been used by educators, government officials, intelligence agencies, and law enforcement. The process of generating rules through a mining operation becomes an ethical issue, when the results are used in decision-making processes that affect people or when mining customer data compromises the privacy of those customers. Data mining is required to be studied from an ethical perspective due to its increasing importance in decision making, both in the private and public sectors. Data miners and decision makers must look towards ethical issues before encountering them. Otherwise, they risk not identifying when a dilemma exists or making poor choices, since all aspects of the problem have not been identified. This paper will focus on ethical dilemma of Data Mining Technology.

Keywords: Data Mining, Security, Privacy act 1974

INTRODUCTION

With the explosive growth of Internet, lots and lots of data is being produced organization are having large databases and have realized the importance of these databases as potential information regarding their customers. There is an urgent need for a new generation of computational theories and tools to assist humans in extracting useful information (knowledge) from the rapidly growing volumes of digital data. Thus researchers and marketers are now showing great interest in the new field of "Data Mining". Known for mining lots of data, debris have to be removed to find the nuggets of gold in the form of useable information. Organizations collect enormous amount of data from various touch points such as cash registers, bar code sweeps, surveys, inventory reports, Web hits, registration cards, and so on. Companies usually end up with so much data that it becomes difficult to go through it all, and then by the time it's compiled and analyzed, it could be severely outdated. Organization requires the tool which could help companies to collect the data and mine it efficiently in short amount of time. Data mining is a multidisplinary field of research which simply filters through large amounts of raw data for useful information that gives businesses a competitive edge. The end result of data mining should be the acquisitions of new and useful information that can help a company make better decisions that improve business. Data Mining technology has a dark side too. Traditional issues in computer ethics include privacy and workplace monitoring, hacking, intellectual property, and authentic users. There are suites of ethical issues that arise in data mining. If it is learned or inferred from a database that Ms. Pinki prefers Blue Maxi, it might be the case that her privacy has been violated. But if it is learned or inferred that she has HIV, the stakes are altogether different. The ability to make ever-more-fine-grained inferences from very large databases increases the importance of ethics in data mining. This pattern extraction from data base can violate the privacy of customers and users if not handled properly.

According to the research in United States by General Accounting Office in 2004, they identified 199 federal data-mining projects and found that out

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PRIVACY ENHANCED DATA MINING

The main challenge that Data Mining is facing is "To provide solutions to enhance National Security but at the same time ensure privacy"(Thuraisingham, 2002) .There is now research at various laboratories on privacy enhanced sensitive data mining (Aggarwal,2000),(Clifton 2002).

The idea is to continue with mining but at the same time ensure privacy as much as possible. Dr. Yehuda Lindell of BIU's Department of Computer Science is researching protocols and models which will protect the privacy and data mining simultaneously. For this task Dr. Lindell has assembled a multi disciplinary research team composed of both theoretical and applied data mining researchers, cryptographers and legal scholars. They intend to help the government in obtaining required information and preserve the privacy of individual. The real world applications under review are:

- Privacy and private databases
- Privacy in the workplace,
- Health and Genetic data and privacy.

Privacy -preserving data mining is a new area of data mining research in response to privacy protection during data mining. It deals with mining the data without revealing the underlying data values. The two common approaches:

- Secure Multiparty Computation
- Data Obscuration

In **Secure Multiparty computation,** simulation and cryptographic techniques are used which don't allow any party to learn another data values, this technique is however less beneficial in large databases.

In Data obscuration, actual data is distorted by aggregation or by adding random noise. These values are collected using reconstruction algorithm. Mining can be performed using these approximated values. Many advances have been made, and this area will flourish in the near future.(Han and Kamber,2006)

CONCLUSION

Data Mining has many applications in a number of areas including Marketing & Sales, Medicine, Law, and Manufacturing and recently in security also. No doubt data mining is extensively used in pattern extraction and decision making process of organization but simultaneously the process of generating rule through mining is becoming ethical issue when the results are used in decision making processes that affect people. Data Mining may be misused like any other technology. We must also not lose sight of all the benefits that data mining research can bring, ranging from insights gained from medical to scientific applications. With the framework of bright side as well as dark side in mind we expect that researchers, consultants, lawyers, marketers computer scientists, counterterrorism experts will work together to find the optimal solution to ensure data privacy protection and security.

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PURCHASE OF FASHIONABLE ETHNIC WEAR IN INDIA: FINDINGS FROM CONSUMER AND EXPERT SURVEYS

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This study attempts to understand the consumer motivation of purchase of fashionable ethnic wear of around INR 1,000/- range through consumer survey and expert survey. It highlights the consumer motivations for purchase of an innovative product like fashionable ethnic wear in India. It attempts to combine consumer innovativeness constructs and consumer evaluation attributes to understand buying behavior in fashionable ethnic wear through consumer survey. It also attempts to highlight major marketer action points and strategies for effectively tapping innovators and opinion leaders in the category based on an expert survey.

INTRODUCTION

This paper advances knowledge by investigating and analyzing consumer purchase behaviors in fashionable ethnic wear in India. Not much academic research has been published about the topic of fashionable ethnic wear that is the type of clothing where Indian aesthetics have been married with a western design sensibility. The wearer is somebody relatively young in age and wants the right balance between tradition and modernity (The Telegraph 2005). It is worn primarily in special occasions. The ethnic wear market is a U.S. $2 billion industry in India, estimated by a KSA (Kurt Salomon Associates)-Images study (www.imagesfashionforum.com). Though demand for ethnic wear was created earlier primarily by retailers like Fabindia and Anokhi, the branded segment in the category has gained significant momentum only in the last few years with the introduction of in-house ethnic wear labels (private labels) by giant Indian retailers such as Shoppers' Stop, Ebony, Globus, Westside and Pantaloons. The category is seeing an infusion of newer and fresher fashion design inputs.

Ethnic wear is helping Indian women to reflect their new personalities of a knowledgeable women to the world, reflecting the merger of modern and ethnic (The Telegraph 2005). Though women form the primary target market for the category, retailers are increasingly turning their attention to the urban male also (The Telegraph 2005). In this context, it is worthwhile to note that though Pantaloon brand Akkriti (where fusion brings together the western silhouette and ethnic prints for women) was primarily an ethnic wear brand for women in the age group of 20-30 years, in 2005-06, this brand has been extended to men's category also (Pantaloon annual report, 2005-06). Understanding the motivations for purchase of this type of special occasion clothing is important because d'Astous and Saint-Louis (2005) specifically cite the example where they argue that the purchase process of a shirt to wear for a wedding anniversary is likely to be more involving than if the shirt is intended to be worn as casual clothing everyday. However, much category specific research insights are not available for fashionable ethnic wear though broad academic insights are available in fashionable clothing category in India (Sinha et al., 2002; Sondhi and Singhvi, 2006).

RESEARCH IN FASHIONABLE CLOTHING

Baggozi (1994) in his Advancing the Consumer Research (ACR) Fellow's address stated: "In sum, personality research has promise in consumer research but only if we use well formed concepts and

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nature. Marketers need to focus on superior fittings (brand 'W' has 5 fits for women) and assortment planning needs to be done keeping customer preferences in range in mind.

TAPPING INNOVATORS AND OPINION LEADERS

76% of experts agree about the need to tap innovators and opinion leaders in this category. Experts think innovators and opinion leaders may be approached by event marketing by calling them in the fashion show events organized by the store (41% of experts citing it), through direct marketing (41%), through PR activities (35%), through advertising in focused media (29%) and by locating some stores in prime catchment areas (24%).

Experts think there is a requirement for event sponsorship in this category if synergistic properties are available. Activities like fashion shows, street shows, model hunts etc. may be relevant in this category. Marketers need to hold these special events with the opportunity to meet top celebrities, stars and artists who can be persuaded to wear the ethnic wear brands there. There is a need to hold social gatherings related to occasions e.g. music, dance or festivals. Store should try and participate in select social events in and around the customer base involving fashion and celebrity associations.

Experts think marketers need to carry out direct marketing especially for communicating the availability of new stock arrival information. They need to maintain the phone and other contact address of their clients. They need to inform loyal users and their customer base about launches of new ranges. They may communicate one to one by using some of the credit card companies' databases. Marketers need to target innovators by identifying, recording and keeping the segment engaged through continues one on one interaction in the shop and through text messages, email, direct mail etc. The consumer 'touch points' need to be managed well during pre-purchase efforts and during in-shop interactions. Small gift vouchers may additionally be given sometimes to get people to the store.

DISCUSSION

This study attempts to understand the consumer motivation of purchase of fashionable ethnic wear of around INR 1,000/- range through consumer survey and expert survey. Among all the considered consumer innovativeness constructs and consumer evaluation attributes, the biggest differentiators between buyers and non buyers in the purchase process are consumer innovativeness (fashionable ethnic wear specific innovativeness), change seeker index, reputation of the brand name of the dress and the level of fresh ideas incorporated in the dress.

Finally, the expert survey based on opinions of seventeen senior experts in the category have provided relevant quantitative and qualitative details in terms of marketer action points and in terms of effectively tapping innovators and opinion leaders in the category. Experts give consumer innovativeness one of the highest ratings and one of the lowest standard deviations among variables highlighting the importance of it in the consumers' purchase process in the category. This also clearly reflects the high agreement among experts about the applicability of consumer innovativeness trait in this category.

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NEED SALIENCY & STUDENTS' INVOLVEMENT: AN EMPIRICAL STUDY OF UNIVERSITYS' STUDENTS

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The present investigation was intended to examine the relationship between need saliency and students' involvement in educational institution. One hundred university students from Utkal University were randomly sampled from a very large pool of students. The study adopted a 2(sex) x 2 (stream) design where boys and girls wee crossed with 2 streams of exposure (science and arts). The participants were individually administered a multipart questionnaire of study behaviour. The questionnaire consisted of measures of perceived importance of study outcomes, satisfaction, involvement and questions relating to personal information. The portion of perceived importance of study outcomes required each respondent to indicate the individual priority of fifteen study outcome factors. This portion helped to identify the salient needs (rated first and second) of an individual. The second part measuring students' satisfaction asked individuals to indicate the level of satisfaction on a six-point scale with respect to each of the fifteen study factors. This part was also helpful in determining the level of satisfaction of the salient and non-salient need (as identified in the first part) as well as overall satisfaction. The findings indicated that science boys, arts boys, arts girls regarded acquisition of knowledge and opportunity for future jobs as salient needs. The results supported our main hypothesis that salient need satisfaction was related to students' involvement. The findings of the study were explained and major implications were discussed.

INTRODUCTION

Maslow (1965), the father of humanistic psychology, deserves credit for analyzing human needs and suggesting their break-up in hierarchical order. According to him, man's needs are arranged in a hierarchy or importance ranging from the lowest need (physiological) to safety, love, self-esteem (ego), and finally self-actualizations. This hierarchy of prepotency of urgency of satisfaction means that the most urgent needs will be monopolized. Man is continuously wanting, therefore all needs are never fully-satisfied. As soon as one's need is satisfied, its prepotency diminishes and the next higher unsatisfied need emerges to replace it. This is a never-ending process which serves to motivate man to strive to satisfy his needs. Finally, the needs are interdependent and overlapping.

Herzberg's (1959) theory of motivation has been referred to as the motivator-hygiene theory. It has some basis assumptions. First, the factors that are present when job satisfaction is produced are separate and distinct from factors that lead to job dissatisfaction. The satisfier relates to the content or nature of the job and dissatisfier describes the employee's relationship to the context of environment in which they engage their work. Therefore, satisfier relates to what employee does, dissatisfier to the environment in which they do it. So it is the hygiene factor that affects job dissatisfaction, whereas motivational factors make people happy with their job by serving need for psychological growth.

Alderfer (1972) advocated the ERG theory which is basically a reworking of Maslow's theory. There are three groups of core needs; existence, relatedness, and growth. The existence of group provides our basic material existence requirements. This is the counterpart of the physiological and safety needs of Maslow. Relatedness refers to the desire for maintaining important, interpersonal relationships and tally with Maslows love needs and external component of esteem need. Growth needs denote an intrinsic desire for personal development. This includes the intrinsic component of esteem and characteristic of self-actualization. This theory does not assume a rigid hierarchy and all the three

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has included participants from the Bhubaneswar town. It can be argued that sub-cultural variation may be an important consideration. With a view to increasing the representative ness of university, samples from various universities need to be represented. Similarly studies could be undertaken to identify need in rural and urban students.

Furthermore, future research could be addressed to examine the position in the context of special groups such as medical students, engineering students, management students. Different groups may attach differential priorities to certain needs even in a single cultural system.

Finally the measurement of the main variables has been attempted in the form of self-report measures. It is a common experience that self-report method of measurement does have the social desirability effect. People show the tendency to respond in socially confirming ways. It is possible to get around this problem by adopting other methods such as projective inventory approach. Thus, future research may adopt other methods such as projective inventory techniques.

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MOBILE BANKING : A NEW DIMENSION OF BANKING

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Mobile phones have been the most revolutionary development as they have penetrated all sections of society and have witnessed massive growth at a astounding speed, especially in developing countries like India. Mobile phones have also made their way into financial services industry facilitating both financial service providers and their customers. For commercial banks Mobile Banking (m-banking) has proved to be a cost-effective methodology for serving their clients especially those located in remote areas. The mobile platform offers a convenient additional method for managing many without handling cash. Mobile banking enables transfer of funds, payment of bills, loan repayments and payment for goods and services in a secure manner for people, without having to visit the bank.

The consumers banking needs are getting more complex and demands are for more innovative products. As a result, the technology architecture of banks needs to be more flexible and achieve faster go to market product strategy. It is widely felt that they had been in complete transformation, as far as banking approach towards technology is concerned. Banks have introduced a new lucrative technology called mobile banking which is the using mobile phones as a medium for extending banking services to target a large number of customers. With the advent of this new channel, customers can carry out their transactions from anywhere and at anytime, through Short Message Service (SMS) or Wireless Access Protocol (WAP).

Mobile banking (also known as M-Banking, m-banking, SMS Banking etc) is a term used for performing balance checks, account transactions, payments etc. via mobile device such as a mobile phone. Mōbile banking today is most often performed via SMS or the Mobile Internet but can also use special programs called clients downloaded to the mobile dervice1.

MOBILE BANKING - MEANING AND FEATURES

Mobile banking refers to provision and availment of banking and financial services with the help of mobile telecommunication devices. The scope of offered services may include facilities to conduct bank and stock market transactions, to administer accounts and to access customized information.Thus mobile banking can be said to consist of three inter-related concepts :

- Mobile Accounting
- Mobile Brokerage
- Mobile Financial Information Services

Most services in the categories designated accounting and brokerage are transaction based. The non-transaction based services of an informational nature are however essential for conducting transactions for instance, balance inquiries might be needed before committing a money remittance. The accounting and brokerage services are therefore offered invariably in combination with information services. Information services on the other hand, may be offered as an independent module.

The use of a mobile phone to make payments and carry out other banking transactions called m-banking has started taking roots in a number of developing countries, including India. It facilitates and reduces the cost of remittances and enables financial transactions without the costs and risks associated with the use of cash including theft and

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more than 300 Malwares have been identified to be doing the rounds.

- Cloning is done by the perpetrator to have calls and other types of services, which are billed to the original subscriber by copying the identity of one mobile onto another mobile. In this method, the final accounts of the victim can be accessed by fraudulent persons.

PRECAUTIONARY MEASURES

M-Banking reduces the costs to the provider and makes the banking experience more convenient and more cost-effective to the customer. Yet, the facility of banking from remote locations without face-to-face interaction between the bank and customer increases the risk. As mobile banking has its own share of risk, it is very important to be conscious about the safe guards to prevent fraud and to have secure usage of mobile phones as a medium for banking transactions. Precautionary measures for this are as follows :

- Make use of the phone lock facility if the mobile is not in use and apply a strong password with a combination of letters, symbols and numbers to prevent others from using and retrieving data stored in the mobile.
- To prevent identity theft, never reveal four PIN, password etc., and sensitive information, such as PAN card details, date of birth, and account numbers to any person or any unauthenticated sources.
- Set up anti-virus software in your mobile to prevent theft or alteration data by hackers.
- It is advisable not to download any software (e.g. games, music, etc.) which give an opportunity for fraudsters to enter and steal or alter your information.
- Disconnect blue tooth if it is not in use.
- Always erase your browsing history and keep your mobile up-to-date.

CONCLUSION

Banking today is undergoing a radical transformation. The symptoms are obvious; new products, new players, new channels are appearing daily. This transformation is taking place across all sectors of the banking industry. Over the years, banking has transcended from a traditional brick and mortar model of customers queuing for services in the banks to modern day banking where banks can be reached at any point for their services. Today, banks have welcomed wireless and mobile technology into their boardroom to offer their customers the freedom to pay bills planning payments while struck in traffic jams, to receive updates on the various marketing efforts while present at a party to provide more personal and intimate relationships. The terms m-banking, m-payments and m-finance refer collectively to a set of applications that enable people to use their mobile applications to manipulate their bank accounts, store value in an account linked to their handsets, transfer funds or even access credit or insurance products. By complementing services offered by the banking system such as cheque books, ATMs, voicemail, point-to-sale networks, and internet resources, the mobile platform offers a convenient additional method for managing money without handling cash. Mobile banking may prove to be an important innovation for the developing world.

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MARKETING - THE GAP BETWEEN THEORY AND PRACTISE

Nilanjana Sinha* & Rajkumar Dasgupta**

The objective and functioning of Marketing in today's organization hardly seems to have any relevance to the textual studies in Management curriculum. Most of the fresh MBAs ones out into the market are shocked when they find theory and practical marketing ways apart. Do the typical traditional and classical marketing theories of 4Ps / 7Ps apply in ditto? Is marketing restricted to meeting needs and marketing objectives only?

Today's market trends is prone to rapid change - be it in segment dynamics, branding or operational business challenges. Real life marketing is more of a common sense business where one has to work in a constrained set up of limited resources, in a tight timescale and an imperfect information environment full of complications and uncertainty. The refined, aesthetically pleasing researcher's classical marketing theories do not fit into the real picture. The practical scenario works more on intuition, instinct and experience of handling complex and unique situations. "This will often be 'flying by the seat of the pants', or 'gut-reaction'; where the overall strategy, coupled with the knowledge of the customer which has been absorbed almost by a process of osmosis, will determine the quality of the marketing employed" (Wikipedia).

The paper studies the gap between theory and practice from various touch points. Why then do we depend so much on theory and books? The paper throws a different opinion on this so that we can get a fairly clear idea about this.

INTRODUCTION

Researchers have always placed a fancy picture of Marketing in textbooks. But the real world scenario doesn't seem so flowery. As per researchers 'Marketing' aims at meeting customer needs along with optimal utilization of its resources .The paper tries to recap the theories of marketing and track the areas where these theories have proved to be insufficient to guide marketers. It focuses on the definitional aspect, strategic elements, the 4Ps and other Marketing domains. Marketing theory contradicts itself at many instances. The paper tries to throw light on some of these issues as well.

DEFINITION

The 'Marketing' definition itself is prone to changes. Marketing has been defined and re-defined from time to time. The concept dates back to the time when excavations of caves were used in early civilization as a form of 'advertising' to inform the community about events and issues. The table below depicts the changes in researcher's perception of marketing definition over time.

Approach	Definition
Economic	With an economics approach the emphasis is on products (usually referred to as goods) and services, sources of supply, the most commonly used channels of distribution and the functions performed during the marketing process (Cooke et al. 1992). Marketing is the performance of business activities directed toward, and incident to, the flow of goods and services from producer to consumer or user. (American Marketing Association (AMA, 1948) Marketing is the performance of business activities that direct the flow of goods and services from producer to consumer or user. (AMA,1960)

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than MRP. Although the product is original this is highly unethical from the part of retailers as it kills competition and smooth flow of business. Most of the companies know about this and hardly take any action fearing loosing the market. Sometimes this is called undercut in colloquial term.

PROMOTION

Companies spend billions of money on various campaigns. But do they really help to sell? In literature we can find a number of examples of companies that have implemented marketing campaigns but which for one reason or another have failed. Like Kellogg's Cornflakes with all its IMC propagating the need for healthy breakfast for Indian consumers has failed flat because consumers have shown a total disinterest in this breakfast. On the contrary, Maggi two-minute noodles claims in their ad that it can be prepared within two minutes. But this campaign was a success as people have taken it in true spirit and not in letters. How many people buy the brands after seeing advertisements? Which concept works in advertisement is too tough to justify.

Most of the products especially consumer goods and FMCG being sold in the market are by sales promotional activities in shopping malls and other retail outlets. Nobody has any time to buy a brand based on advertisement. They go for impulsive buying and that's why organized retail sectors are mushrooming. The ads could not attract customers beyond the Attention and Interest stage of AIDA model. Advertisements are today used merely to ring the reminder alarm of its existence in the minds of the customers. Ad creativity and sales hardly show any positive correlation. The attention span of consumers has also come down due to ad clutter, increased internet use and emergence of new media channels.

CONCLUSION

The market never follows the text books in ditto. It's the textbooks theories that keep on changing based on the market movements and fluctuations. However with all the problems of textbooks and strategies, the preliminary knowledge of students of marketing can only be imparted through textbooks. It's only after they go to the market and face the real life scenario that they got to understand the disparity between the theory and reality. Much of the Indian market is about emotion and emotional changes. It would be better to follow and analyze the changes and predict where the change is leading to and make products and brands accordingly.

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CRISIS MANAGEMENT AND SERVICES MARKETING; LEARNING FROM EXPRESS SAMINA SHIPWRECK

Rahela Farooqi* & Vipra Kapoor**

Purpose: This paper explores the implied probability for knowledge exchange between the fields of crisis management and services marketing and conducting research on crisis experienced by service organizations through the adoption of an interdisciplinary approach.

Methodology: Initially a brief view and summary of crisis management approach are given, in order to exhibit the plausible opportunity for alternate learning, a key parameter from both the fields are identified and its contribution to learning in the other field is evaluated.

Findings: The comparison between the approaches of crisis management and services marketing points out that the paramount focus in services marketing is on service failures at individual service encounters and drifts away from the multiple stake holders' role that may trigger a crisis. Although the crisis management approach acknowledges customers as key stake holders, it fails to give attention to the role of customers in crisis management in services organization. However, the paper is an attempt to link both the disciplines.

Research implications: Since only one parameter from each field has been studied, the selection of one parameter from each field is a limitation in itself and the suggestion for further research by making use of other parameters are not exhaustive. The present paper may encourage new direction in services as well as in crisis management research.

Practical implication: The paper has provided implications for both service marketers and crisis managers by their alternate learning approach and has also highlighted some other areas of study which could be undertaken in future.

Keywords: Crisis Management, Disasters, Service Failures, Services Marketing.

Paper Type: Conceptual Paper

INTRODUCTION

In December 1999, the hijack of Indian airlines plane from Kathmandu was a case was a story of disregard of routine security preparation, mismanagement and bungling. This stranded a number of passengers and took seven days (December 25 to December 31) to clear. There were serious lapses on the part of the intelligence setup and the failure of field information to take precautions. From the perspectives of the customers it was a series of blunders- the laxity at the Kathmandu airport in terms of security checking, the lapse at Ambala airport where the hijackers could have been overpowered added to the further trauma of the customers. This even claimed the life of one of the passengers. Even from the perspective of service organization it was a costly crisis during which in addition to receiving world wide negative publicity, it incurred huge losses in the share market. The cumulative impact of service failures may result in crisis. However, service failure is researched within the field of services marketing whereas service crisis are researched with in the field of crisis management.

This paper penetrates into the potential probability for mutual learning / alternate learning and knowledge translation between the fields of crisis management and services marketing. The paper strives to attain and introduce the crucial/ inherent element of crisis management approach via service organizations. Further plausible opportunity is identified for knowledge exchange in the fields of crisis management and services marketing.

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perspective. As the Samina case also illustrates that it lacked contingency planning which magnified the consequences of the accident. There was not a crisis management team to deal with the situation, a fact that was due to the complete lack of contingency planning.

Control (through Communication): Crisis is multifaceted events and has complex causes. Effective crisis management requires a thorough understanding of the power, urgency and legitimacy of the stakeholders. Communication is the key to effective customer response. The immediacy of crisis communications heightens the immediacy of the crisis and sometimes the communication itself becomes the news it is intended to cover. If the media can communicate the news the moment it happens, crisis communications dictate that a company must be prepared to respond almost as fast. A quick, early response allows an organization to generate greater credibility than a slow response (Arpan and Ewoldsen, 2005).

Suggestions for Further Research: In this paper, the authors have studied one parameter from both the fields of crisis management and services marketing. Further researches by studying other parameters cannot be ruled out. Although the number of researches conducted in the area of crisis management are limited so the development of this framework in both the fields of crisis management and services marketing could be useful in conducting further research. The definition and the stages of crisis management could be the foundation for further research. The study of customers' role in services and the negligence on the part of employees would also make an important contribution to understand the reasons for service failures during crisis. Further an area which could be considered for studies is how the series of service failures can aggravate a crisis which could have been diverted by using a proactive approach.

The examination of customer to customer interaction during and after a crisis would also make a valuable contribution to an understanding of how crisis may escalate. Also it has been argued that service failure and recovery research should move beyond concentration on the individual encounter. This also involves the development of models for studying the cumulative effects of service failures or for tracking the movement of back stage failures to the front stage by studying the applications of service blueprinting and service mapping.

For crisis management research, there is a possibility for benefits to be gained from monitoring and studying all forms of customer participation. The study of jay customers behaviors, particularly the tendency of some to inflame a crisis could also be a ripening area of study.

The research ideas presented are not exhaustive. Overall, it is hoped that ideas highlighted above would provide a platform for further research.

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LOW COST AND HIGH QUALITY: INDIGO'S SUCCESS MANTRA - CASE STUDY

Anu Singh Lather* & Sona Vikas**

IndiGo, the Delhi-based, low-cost carrier, ended Air Deccan's five-year reign as the largest low-cost carrier in the industry, and that too, within two years of its operations. Now, the country's largest low-fare carrier IndiGo, run by InterGlobe Aviation Pvt. Ltd, which in turn is a part of Interglobe Enterprises, made a net profit of at least Rs. 60 crore for the quarter ended 30 June, 2009 even as the full-service carriers ran into losses due to a decline in the business class traffic and excess capacity in the market. This case is about the success story scripted by IndiGo and Rahul Bhatia, the man behind its phenomenal achievement. The name of the game is keeping the cost low and increasing the quality of service. Overcoming obstacles like local competition, global worries of fuel price hike and economic recession, IndiGo has soared ahead in turbulent times. Relying on innovative marketing efforts, dynamic leadership and supportive management, IndiGo has become a household name with the burgeoning middle class travelers. The airline has clearly demonstrated that it knows how to run a profitable business, despite being a late entrant on the LCC scene in India.

Keywords: Indigo, Customer Service, Nurturing Employees, Strategic Branding

Manish Puri has been with IndiGo Airlines since the last four years, ever since its inception, having previously been at Galileo, making it a successful CRS (Computerized Reservation System) in India. Currently he is the General Manager - Corporate Sales with the airline and is responsible for business development and handling corporates. My first question to him during a brief telephonic interview (on August 17, 2010) was the reason for IndiGo's success. According to him, the three tenets for success for IndiGo Airlines were affordable fares, on-time performance and hassle-free flying experience. These may seem like clichéd words, but having personally flown with the airline, the authors could not agree less. Meticulous planning, sticking to the format of being a low-cost carrier and offering brand new aircraft has given IndiGo an edge over its competitors. As on June 2010, the market share of IndiGo is 16.4 percent, getting ready to cross Indian. Manish feels that since the aircraft utilization is very high, the airline has been able to sustain itself.

This case traces the success story of India's largest domestic low-cost carrier which has kept the fares low even after being four years in business - something, which none of its competitors can boast of. The case explores into how IndiGo could remain profitable when all other airlines struggled.

THE LCC SCENARIO IN INDIA

Indian aviation was revolutionized in 2003, when Air Deccan pioneered the 'low-cost' model that focused on keeping operational costs low. Introducing the concept of discount pricing, Air Deccan attracted the expanding middle class of the country, carrying nearly 1.3 million passengers by 2005. Following suite, many low-cost airlines like Spice Jet, Go Air and IndiGo entered the Indian skies with the aim of capturing a share of the Low-Cost Carrier (LCC) segment. Each of these players bombarded the aviation arena with their promise of lowest airfares. However, as the booming opportunities prompted players to expand capacity and rising fuel costs and taxation rates, increased the costs, the low-cost players found it difficult to live up to their promise. In their urge to survive, they increased prices, coming almost close to Full Service

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prepared to leverage on them to build their brand further.

Xtensibility is their forte. They have stayed consistent over time and have the knack of delivering a consistently great experience over time. Their persistence and precision planning to face external and internal pressures has made them stay true to their core brand personality. While their competitors were increasing the fares and compromising on quality of service, they stayed put. And it is this consistency that has helped build trust amongst customers, fetching them awards and accolades across the country. They have been successful in building brand Xtensibility across different offerings and customer touch- points even in turbulent times. It goes without saying that IndiGo has X-factor. They have created a place for themselves, above and beyond their competitors. Now they are in a league of their own. While their rivals are grappling for their survival, IndiGo is doing something else - becoming socially responsible corporates. By proactively managing their social and ethical stance, they have succeeded in creating a warm feeling amongst their customers. They are bringing a smile to thousands of lesser-privileged children and families based across India by joining hands with leading NGO's such as Sankalp Welfare Society, CanKids, SOS Village, Akanksha Foundation and Deepalya. IndiGo employees were themselves part of this CSR campaign, putting their best foot forward to help the ones in need. The initiatives ranged from food drives, blood donation camps, cricket matches and educational workshops across multiple locations in India, and reflect the dexterity and ingeniousness on the airline's part to go beyond their everyday operations and make a positive impact on the society. It is programs like these which help gain the respect of current and future customers.

CONCLUSION

The efforts to run an affordable, reliable, hassle-free airline have been recognized by the people who matter most - the travelers. IndiGo has accomplished what others failed to do – consistently offer a full range of opportunities to fly at amazing airfares, without compromising on quality of service. If IndiGo continues to deliver what it promises, interacts with its customers consistently and in a responsible fashion over time, and continues to innovate, people will continue to vote for it with their wallets, their respect and their affection. Go IndiGo! Way to go!!

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Telephonic Interview with Mr. Manish Puri, General Manager - Corporate Sales (with Sona Vikas on August 18 and August 19, 2010)

DISCUSSION QUESTIONS

Q1. Will the Low-cost strategy work for IndiGo when it goes International? Discuss.

Q2. With competitor airlines consolidating, what strategies should IndiGo adopt to sustain itself?

PEDAGOGICAL OBJECTIVES

- To understand IndiGo's rise to success in the turbulent aviation industry when other LCC counterparts failed.
- To find out how the pro-people philosophy of the Leadership has helped IndiGo to achieve consistency in customer service.
- To discuss the branding initiatives at IndiGo.