

# MARKETING DIMENSION OF EQUITY RELATED RISK PERCEPTION OF EMPLOYEES : OWN COMPANY'S SHARES Vs OTHER COMPANY'S SHARES

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## ABSTRACT

*The objective of the present study is to ascertain the influence of four elements of marketing mix on the overall risk perception of the employees in respect of equity shares of company where they work and the equity shares of companies where they do not work. It was found that out of the four elements of marketing mix, the product and price driven measure of risk perception do not influence the overall risk perception in respect of equity shares of OIL where they work; whereas the promotion and place driven measures of risk perception do influence the overall risk perception in respect of equity shares of OIL. In respect of equity shares of other than OIL, all the four elements that is product, price, place and promotion influence the overall risk perception.*

## 1.1 INTRODUCTION

In marketing management, a 'product' is an offering which satisfies the needs and wants of the people to whom it is targeted (Kotler P. et al, 2006). On this ground 'equity share' is also a product because it satisfies the specific investment needs of the investors. Hence, the principles of marketing are also applicable in marketing of equity shares as mentioned by Kotler P. et al (2006) in his book on marketing management. The success and failure of any public issue of equity share is largely dependent on the brand image of the company, the advertisement for the equity shares, the promotional steps taken by the company, the timings of the issue etc (Hong H., 2005). Similarly the trading of

the existing shares in the stock exchange also depends on the performance of the company and through the media company releases the information relating to the performance of the company. This helps in maintaining the price of the shares of the company intact and hence the market capitalisation of the company remains intact. One of the main objectives of the financial management function of the company is to maintain the market capitalisation of the company intact (Khan MY & Jain PK, 2004). All this emphasizes the applications of the principles of marketing management in marketing the equity shares of the company. So, it is implied that all the four elements of the marketing mix, commonly known as 4Ps of

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marketing [i.e., product, price, place and promotion] are also applicable to the marketing of the equity shares (Kotler P. et al, 2006).

The 'product' feature of any product is related to the benefits of the product, rules and regulations of the product, use of the product (Kotler P. et al, 2006). If equity shares are considered as product then the benefits from equity shares can be categorized as the return from the shares, return of invested sum similarly complexity of rules and regulations, certainty of return, knowledge to calculate the return from equity shares etc. all are indicative of 'product' feature of equity shares. Second feature of a product is 'price' related features. Pricing of equity shares, fluctuations of prices in the stock market etc. highlights the 'price' features of equity shares. Publishing the news relating to the company, publishing the information relating to the company in vernacular medium (for example business standard news paper is published in Hindi as well as in Gujarati) etc. are describing the 'promotion' feature of equity shares. Lastly, in order to increase the investors' base the investment companies are opening up their offices in new towns and cities, the investment companies are also increasing the awareness about the grievance redressal mechanism and at the same time try to prove their integrity (by displaying their license and registration certificate issued by SEBI). All these are hitting at the 'place' features of equity shares.

## 1.2 EQUITY SHARE INVESTMENT AND RISK PERCEPTION

While going for investment in share people try to make proper tradeoff between risk and return (Fischer D E & Jordan R J, 2006). Moreover people are generally risk averse (Kahneman D et al, 1979). It is

found in the earlier research that the people's level of risk perception affects their equity share investment behaviour (Singh R & Bhowal A, 2009). It is because the return from the equity share is not certain and hence the investment in equity share is considered to be as one of the risky investment.

## 1.3 MEASURING RISK PERCEPTION

It has been established from the earlier studies that the risk perception can be managed if one is aware of the various dimensions of risk and the reason for the said level of risk perception (Singh R & Bhowal A, 2008). Risk perception can be managed and the policy makers should try to manage the risk perception for implementing various policies etc (Singh R & Bhowal A, 2006). This can only be possible only if one is aware about his/her level of risk perception. This necessitates the need for the measurement of risk perception. There are several studies which have been conducted to measure the risk perception. MacCrimmon KR and Wehrung DA (1990) have published a paper where they have devised a tool for measuring risk propensity of the top executives of the top 509 companies in the world. MacCrimmon and Wehrung have measured the risk propensity in three ways; first the measure derived from behaviour in hypothetical, standardized situations framed using a basic risk paradigm that has an underlying theory of risk, second measures derived from behaviour in naturally occurring risky situations, and third measures derived from self-reported attitudes towards taking risks. Sim B. Sitkin and Amy L Pablo (2002) published a paper re-conceptualizing the determinants of risky behaviour. In 1995 Sim B. Sitkin & Laurie R. Weingart wrote a paper highlighting the determinants of risky decision making

behaviour and the role of risk perceptions (Sitkin S.B., Weingart L.R., 1995). From the above study it is found that the measurement of risk perception of employees in respect of equity shares, from the perspective of elements of marketing mix is a grey area. Ning Gong (2004) has done a study on the risk perception of the shareholders relating to their preference for the risky projects undertaken by the company. Andreas Krause (2002), in his article "Coherent risk measurement: An introduction", put emphasis on the limitations of existing models of measuring risk and stress on developing a coherent model of risk measurement. He appreciated the JP Morgons "Value at Risk" model for measuring risk.

The risk perception in respect of equity shares may arise out of any of dimensions of marketing mix [i.e. product, price, promotion and place]. For certain categories of investors product related features may seem to be risky for example whether it will be able to provide the adequate return or not?, certain categories of investors may consider equity shares risky because of the price features of equity shares for example whether the price at which it is purchased is the correct price or there is a possibility of further fall in prices, similarly the promotion and place related features of equity shares may influence the risk perception in respect of equity shares. The example of promotion features driven risk perception is reporting of scandals in news papers and example of place feature driven risk perception is existence of place of grievance handling related to the disputes related to equity shares. Singh and Bhowal (2009) have done a study to measure the risk perception of the investors from the perspective of marketing mix. But in this study only the risk perception as a whole about the equity share is considered and

no categorization is made for the risk perception in respect of own company shares and risk perception in respect of other than own company shares. So, in this study the risk perception of the employees in respect of equity shares from the perspective of elements of marketing mix has been considered for their own company as well as other than their own company. Several items were identified to describe the product, price, promotion and place feature of equity shares. All these items are designed to measure the risk perception arising from elements of marketing mix as a latent variable.

#### **1.4 RISK PERCEPTION OF EMPLOYEES OF PUBLIC SECTOR COMPANIES**

It is seen that the risk perception of the employees of public sector undertakings [PSU] in India is relatively higher than those who are not employed in PSUs. So far as the risk perceptions of the employees of PSUs are concerned, evidences suggest that stability of employment is greater in the public sector than in the private sector. The Value that individuals place on this stability depends on the individual's degree of risk aversion. Economic reasoning suggests that, other things equal, those individuals with a high degree of aversion to risk will be more likely than others to seek employment in the public sector. (Bellante, D. and Link, A. N., 1981). Similarly a study was done on the business and public school administrators to know the risk propensity and it is concluded that business administrators were greater risk takers than public school administrators (Brown J. S., 1970). All these studies show that there the employees or managers of public sectors have high degree of risk perception. This high degree of risk perception is also expected to be reflected in their investment decisions especially with respect to equity shares investment.

## 1.5 RISK PERCEPTION IN RESPECT OF OWN COMPANY'S SHARES VS OTHER SHARES

Tourani-Rad A. & Kirkby S (2005) in a study found that the investors prefer to invest in the local and known companies and consider it to be lesser risky than other companies shares. In the backdrop of this study, it can be inferred that the risk perception of the employees in respect of the shares of their own company is lower than the shares of the other company. In a similar type of study, it was found that investors strongly favour investing in local companies which belongs to their own region than the other regional bells [www.columbia.edu/cu/business]. In another study conducted on the risk perception of employees in respect of the shares of their own companies and the shares of companies other than their own, it was found that the risk perception in respect of their own share is comparatively lower than the risk perception in respect of other shares (Singh R & Bhowal A, Forthcoming). All these studies show that the risk perception of the employees for the shares of their own company is lower than the shares of other companies.

### 2.1 SCOPE OF THE STUDY

This is an empirical study and the employees of Oil India Limited [OIL] were taken as a case for this purpose. In the study, the influences of 4Ps of marketing on the risk perception in respect of equity shares of OIL as well as other shares have been considered. The Study was done during the time period of 1<sup>st</sup> April, 2007 to 31<sup>st</sup> October, 2007.

### 2.2 OBJECTIVE OF THE STUDY

The objective of the study is to ascertain the influence of elements of marketing mix, known as 4Ps of marketing on the overall risk perception of the

employees in respect of equity shares of OIL as well as equity shares of other than OIL.

### 2.3 HYPOTHESIS

Based on the review of literatures mentioned in paragraph 1.5, it is inferred that the influence of 4Ps Driven measure of risk perception on the equity shares of OIL would be different than that of the equity shares of other than OIL. To explore in this area the following hypotheses are considered:

1. There is no influence of elements of marketing mix on the overall risk perception of employees in respect of equity shares of OIL.
2. There is no influence of elements of marketing mix on the overall risk perception of employees in respect of equity shares of other than OIL

### 2.4 METHODOLOGY OF THE STUDY

**1. Universe of the study:** All the employees' working in OIL at Duliajan Head Office (i.e. Executives, Non-Executives) constituted the universe of the study. The size of the universe was 8480.

**2. Sample & Sample Unit:** Here each employee was considered as the unit of the study. Sample selection was based on simple random sampling basis. Considering the time and resources constraints, the sample size of only 378 employees were finally selected.

**3. Questionnaire Design:** After pilot survey and discussions with the employees as well as the people who are experts in this area of research questionnaire was framed.

To measure the risk perception of the employees several variables were identified after reviewing the literatures & from the discussion with the employees. Several items or statements were generated to

measure the overall scores as regards **the risk perception from the perspective of elements of marketing mix**, i.e., product, price, promotion and place. In total 40 items were identified. The first 21 items indicates the product feature of the equity shares, next 4 items were related to the price features of the equity shares, third 9 items were signifying the promotion feature of the equity shares and lastly 6 items were highlighting the place features of the equity shares. All the items were on a five point scale and measuring the term risk perception arising out of several dimensions of marketing mix as the latent variable. The overall scores were designed to measure the degree of risk perception arising out of different dimension of marketing mix of the employees of OIL. The statements with regard to the different items relating to risk perception of equity share investment given below. The first twenty one [21] items are related to the product feature driven measure of risk perception. The next four items are related to price features driven measure of risk perception. The third sets of items which are nine in numbers are related to promotion features driven measure of risk perception. The last sets of items are related to place features driven measure of risk perception. The Items are as follows:

Item 1 related to idea about the investment in equity shares

Item 2 related to certainty of income

Item 3 related to steady income

Item 4 related to guarantee of income

Item 5 related to guarantee of assured income.

Item 6 related to the difficulty in calculating income from equity investment.

Item 7 related to awareness of the complex rules and regulations of equity.

Item 8 related to the understanding of complex rules and regulations of equity investments

Item 9 related to the amount of money required to invest.

Item 10 related to the certainty of the return of the invested sum.

Item 11 related to the guarantee of the return of the invested sum.

Item 12 related to the monitoring of the share market.

Item 13 related to the time for monitoring the share market.

Item 14 related to utilizing market information for investment related decisions.

Item 15 related to the complexity in share investment

Item 16 related to the hassles in investment in share market.

Item 17 related to the difficulty in monitoring macro economic data.

Item 18 related to the selection of a company for the investment.

Item 19 related to the selection of number of equity shares for investment.

Item 20 related to monitoring the financial and non-financial performance of the company.

Item 21 related to the understanding the buying and selling price fixation mechanism.

Item 22 related to the confidence of investor regarding time and the price at which equity shares are to be bought and sold for a best bargain.

Item 23 related to de-motivation from the Pattern of change in the price of equity shares. Item 24 related to the difficulty in tracking the daily price movement of equity shares. Item 25 related to advice about the investment in equity shares.

Item 26 related to the education required for investment in equity shares

Item 27 related to the opinion of others that investment in equity shares is risky. Item 28 related to availability of coaching/counseling /share investors' forum locally.

Item 29 related to advertisement/availability of the information /article/papers in vernacular medium regarding the equity share investment.

Item 30 related to the irregularity of information /article/papers in vernacular medium regarding the equity share investment.

Item 31 related to the amount of information/article/paper in vernacular medium regarding the equity share investment.

Item 32 related to equity shares scandals reported in papers.

Item 33 related to experience of others that they suffer loss in share investment.

Item 34 related to local availability of equity shares.

Item 35 related to confidence about the existence of the company of interest.

Item 36 related to the office of the company locally.

Item 37 related to the integrity of the local agents

Item 38 related to place of grievances handling and redressal procedure

Item 39 related to the reliability of delivery of Post office/courier service.

Item 40 related to the fear of to be victimized of fraud committed by agents

Respondents were asked to rate in a five point scale. In the questionnaire some of the items were under reverse scaling

method to ensure the accuracy of the response.

Next part of the questionnaire was related to their level of risk perception with respect to equity shares of OIL and equity shares of other than OIL on a five point scale starting from very risky to absolutely safe.

**4. Method of data analysis and interpretation:** Various tools of statistical analysis, using SPSS statistical software, like ratios, percentages, tables, Cross tables, reliability analysis, and Cramer's V Test were done, as and when required to arrive at logical conclusion on the sample data. Reliability analysis allows studying the properties of measurement scales and the items that make them up. The Reliability Analysis procedure calculates a number of commonly used measures of scale reliability and also provides information about the relationships between individual items in the scale. Alpha (Cronbach) is a model of internal consistency, based on the average inter-item correlation. Nunnally J (1978) has indicated 0.7 to be an acceptable reliability coefficient. In fact, 0.7 or higher is considered "acceptable" in most Social Science research situations. Cramer's V. is a chi-square based measure of association that involves dividing the chi-square statistic by the sample size and taking the square root of the result. Cramer's V is a measure of association based on chi-square. In case the value of any of the cell value in the table is less than 5, than in case the chi-square can not be used and Cramer's V is the more acceptable than chi-square (Sigel S and Castellan J, 1988). In the present study the interpretation of the values of Cramer's V is done as per the Exhibit 1.

**Exhibit 1 : Cramer's V Interpretation Scale**

<b>Cramer's V Value</b>	Upto 0.20	0.20 – 0.40	0.40 – 0.60	0.60 -0.80	0.80 – 1.0
<b>Interpretation of Values</b>	Very low level of Association	Low level of Association	Moderate level of Association	High level of Association	Very high level of Association

### 3. FINDINGS

The analysis, findings and interpretations of the current study is given in the following paragraphs.

#### 3.1 RELIABILITY OF THE ITEMS OF SCALE FOR MEASURING RISK PERCEPTION

In the questionnaire out of total forty items twenty one items were related to product driven measure of Risk Perception, four items were related to the price driven measure of risk perception, nine items were related to the promotion driven measure of risk perception and six items were related to the place driven measure of risk perception. The reliability of the scales is performed and coefficient of Cronbach's Alpha for product driven measure of risk perception is 0.931; for price driven measure of risk perception coefficient of Cronbach's Alpha is 0.763; for promotion driven measure of risk perception it is 0.710 and for place driven measure of risk perception the value of Cronbach's Alpha is 0.818. As the value of

coefficient in all the four cases is more than 0.70, it can be inferred that the items measuring the several dimensions of risk perception are reliable.

#### 3.2 DEVELOPMENT OF SCALE FOR MEASURING RISK PERCEPTION

For product driven measure of risk perception, the scale contains 21 items. The maximum one respondent can score in each of the items is 5. Therefore, maximum possible score is 105. Similarly, the minimum one respondent can score in each of the items is 1. Therefore, minimum possible score is 21. The interval of score from 21 to 105 was divided into five equal classes to represent five different levels of perception. In a similar way the scale for the price driven measure of risk perception consisting of 4 items, promotion driven measure of risk perception consisting of 9 items and place driven measure of risk perception consisting of 6 items are constructed. The scale is given in the exhibit No. 2

**Exhibit No. 2 : Interpretation of Marketing Mix Driven Measures of Risk Perception Scale Values**

Interpretation of scale value	Very Low Level of Risk Perception	Low Level of Risk Perception	Moderate level of Risk Perception	High Level of Risk Perception	Very High Level of Risk Perception
<b>Scale value for Product Dimension</b>	21 – 37.8	37.8 – 54.6	54.6 – 71.4	71.4 -88.2	88.2 -105
<b>Scale value for Price Dimension</b>	4 – 7.2	7.2- 10.4	10.4-13.6	13.6-16.8	16.8-20
<b>Scale value for Promotion Dimension</b>	9-16.2	16.2-23.4	23.4-30.6	30.6-37.8	37.8-45
<b>Scale value for Place Dimension</b>	6-10.8	10.8-15.6	15.6-20.4	20.4-25.2	25.2-30

### 3.3 RISK PERCEPTION IN RESPECT OF EQUITY SHARES OF OWN COMPANY

Table 1 shows the cross tabulation of overall risk perception in respect of equity shares of OIL and the level of risk perception arising from Product Dimension. From the table 1, it is seen in the sample that the observed associationship between 'risk perception in respect of equity shares of OIL' and 'level of risk perception arising from product

dimension' is found to be very low since calculated Cramer's V is equal to 0.106. However, given the test, the relationship that was observed in the sample is not traceable in the population because the calculated significance value (i.e. 0.393) is more than 5% level of significance. Therefore, in the population there is **no association** between risk perception in respect of equity shares of OIL & levels of risk perception arising from product dimension.

**Table No. 1 : 'Risk Perception in respect of Equity Shares of OIL' and 'Level of Risk Perception arising from Product Dimension'**

Risk respect of Equity Shares of OIL	Level of Risk Perception arising from Product Dimension						Total
		Very low level of risk perception	Low level of risk perception	Moderate level of risk perception	High level of risk perception	Very high level of risk perception	
<b>Very Risky</b>	Count	0	1	4	8	2	15
% of Total	0.00%	0.30%	1.10%	2.10%	0.50%	4.00%	
<b>Somewhat Risky</b>	Count	3	4	10	17	3	37
% of Total	0.80%	1.10%	2.60%	4.50%	0.80%	9.80%	
<b>Moderate</b>	Count	0	5	16	19	4	44
% of Total	0.00%	1.30%	4.20%	5.00%	1.10%	11.60%	
<b>Somewhat Safe</b>	Count	11	11	33	74	5	134
% of Total	2.90%	2.90%	8.70%	19.60%	1.30%	35.40%	
<b>Absolutely Safe</b>	Count	7	20	47	61	13	148
% of Total	1.90%	5.30%	12.40%	16.10%	3.40%	39.20%	
<b>Total</b>	Count	21	41	110	179	27	378
% of Total	5.60%	10.80%	29.10%	47.40%	7.10%	100.00%	

Source: Compiled from the Questionnaire

In table 2, risk perception in respect of equity shares of OIL and level of risk perception arising from price dimension is tabulated. From the table 2, it is revealed in the sample that the observed associationship between 'risk perception in respect of equity shares of OIL' and 'level of risk perception arising from price dimension' is very low since Calculated Cramer's V is equal to 0.129. However,

given the test, the relationship that was observed in the sample is not valid in the population because the calculated significance value (i.e. 0.07) is more than 5% level of significance. Therefore, in the population there is **no association** between risk perception in respect of equity shares of OIL and level of risk perception arising from price dimension.

**Table No. 2 : ‘Risk Perception in respect of Equity Shares of OIL’ and ‘Level of Risk perception arising from Price Dimension’**

Risk Perception in respect of equity shares of OIL	Level of risk perception arising from price dimension						Total
		Very low level of risk perception	Low level of risk perception	Moderate level of risk perception	High level of risk perception	Very High level of risk perception	
Very Risky	Count	0	1	4	3	7	15
	% of Total	0.00%	0.30%	1.10%	0.80%	1.90%	4.00%
Somewhat Risky	Count	1	6	2	20	8	37
	% of Total	0.30%	1.60%	0.50%	5.30%	2.10%	9.80%
Moderate	Count	1	5	7	21	10	44
	% of Total	0.30%	1.30%	1.90%	5.60%	2.60%	11.60%
Somewhat Safe	Count	5	13	28	69	19	134
	% of Total	1.30%	3.40%	7.40%	18.30%	5.00%	35.40%
Absolutely Safe	Count	4	24	37	63	20	148
	% of Total	1.10%	6.30%	9.80%	16.70%	5.30%	39.20%
Total	Count	11	49	78	176	64	378
	% of Total	2.90%	13.00%	20.60%	46.60%	16.90%	100.00%

Source: Compiled from the Questionnaire

Risk perception in respect of equity shares of OIL and level of risk perception arising from promotion dimension is tabulated in table 3.

**Table No. 3 : ‘Risk Perception in respect of Equity Shares of OIL’ and ‘Level of Risk perception arising from Promotion Dimension’**

Risk Perception in respect of equity shares of OIL	Level of Risk perception arising from Promotion Dimension						Total
		Very low level of risk perception	Low level of risk perception	Moderate level of risk perception	High level of risk perception	Very High level of risk perception	
Very Risky	Count	1	0	5	6	3	15
	% of Total	0.30%	0.00%	1.30%	1.60%	0.80%	4.00%
Somewhat Risky	Count	2	2	6	21	6	37
	% of Total	0.50%	0.50%	1.60%	5.60%	1.60%	9.80%
Moderate	Count	1	7	19	16	1	44
	% of Total	0.30%	1.90%	5.00%	4.20%	0.30%	11.60%
Somewhat Safe	Count	2	8	46	72	6	134
	% of Total	0.50%	2.10%	12.20%	19.00%	1.60%	35.40%
Absolutely Safe	Count	3	14	76	54	1	148
	% of Total	0.80%	3.70%	20.10%	14.30%	0.30%	39.20%
Total	Count	9	31	152	169	17	378
	% of Total	2.40%	8.20%	40.20%	44.70%	4.50%	100.00%

Source: Compiled from the Questionnaire

In the sample, as presented in the table 3, the observed association between 'risk perception in respect of equity shares of OIL' and 'level of risk perception arising from promotion dimension' is found to be very low since Calculated Cramer's V is equal to 0.185. Given the test, the relationship that was

observed in the sample is even traceable in the population because the calculated significance value (i.e. 0.0) is less than 5% level of significance. Therefore, there is **association** in the population between risk perception in respect of equity shares of OIL and levels of risk perception arising out of promotion dimension.

**Table No. 4 : 'Risk Perception in respect of Equity Shares of OIL' and 'Level of Risk perception arising from Place Dimension'**

Risk Perception in respect of equity shares of OIL	Level of Risk Perception arising from Place dimension						Total
		Very low level of risk perception	Low level of risk perception	Moderate level of risk perception	High level of risk perception	Very High level of risk perception	
Very Risky	Count	1	2	1	6	5	15
	% of Total	0.30%	0.50%	0.30%	1.60%	1.30%	4.00%
Somewhat Risky	Count	0	6	7	20	4	37
	% of Total	0.00%	1.60%	1.90%	5.30%	1.10%	9.80%
Moderate	Count	1	10	15	15	3	44
	% of Total	0.30%	2.60%	4.00%	4.00%	0.80%	11.60%
Somewhat Safe	Count	2	21	59	49	3	134
	% of Total	0.50%	5.60%	15.60%	13.00%	0.80%	35.40%
Absolutely Safe	Count	5	43	54	45	1	148
	% of Total	1.30%	11.40%	14.30%	11.90%	0.30%	39.20%
Total	Count	9	82	136	135	16	378
	% of Total	2.40%	21.70%	36.00%	35.70%	4.20%	100.00%

Source: Compiled from the Questionnaire

Lastly, the risk perception in respect of equity shares of OIL and level of risk perception arising from place dimension is cross tabulated in table 4. In the sample, as presented in the Table 4, the observed association between 'risk perception in respect of equity shares of OIL' and 'level of risk perception arising from place dimension' is found to be low since calculated Cramer's V is equal to 0.206. Given the test, the relationship that was observed in the sample is even traceable in the population because the calculated significance value (i.e. 0.0) is less than 5% level of significance.

Therefore, there is association in the population between risk perception in respect of equity shares of OIL and levels of risk perception arising from place related dimension.

It is seen that there is no influence of level of risk perception arising from product and price dimension on the overall risk perception in respect of equity shares of OIL, but there is influence of risk perception arising from the promotion and place dimension on overall risk perception of the employees of OIL in respect of equity shares of OIL.

### 3.4 Risk Perception in respect of Equity Shares of Other Companies

Risk perception in respect of equity shares of other than OIL and level of risk perception arising from product dimension is shown in table 5.

**Table No. 5 : ‘Risk Perception in respect of Equity Shares of other than OIL’ and ‘Level of Risk perception arising from Product Dimension’**

Risk Perception in respect of equity shares of Other than OIL	Level of Risk Perception arising from Place dimension						Total
		Very low level of risk perception	Low level of risk perception	Moderate level of risk perception	High level of risk perception	Very High level of risk perception	
Very Risky	Count	2	10	16	33	8	69
	% of Total	0.50%	2.60%	4.20%	8.70%	2.10%	18.30%
Somewhat Risky	Count	6	9	44	78	8	145
	% of Total	1.60%	2.40%	11.60%	20.60%	2.10%	38.40%
Moderate	Count	5	5	23	40	9	82
	% of Total	1.30%	1.30%	6.10%	10.60%	2.40%	21.70%
Somewhat Safe	Count	8	17	25	27	2	79
	% of Total	2.10%	4.50%	6.60%	7.10%	0.50%	20.90%
Absolutely Safe	Count	0	0	2	1	0	3
	% of Total	0.00%	0.00%	0.50%	0.30%	0.00%	0.80%
Total	Count	21	41	110	179	27	378
	% of Total	5.60%	10.80%	29.10%	47.40%	7.10%	100.00%

Source: Compiled from the Questionnaire

In the sample, as presented in the table 5, the observed association between ‘Risk perception in respect of equity shares of other than OIL’ and ‘level of risk perception arising from product dimension’ is found to be very low since calculated Cramer’s V is equal to 0.146. Given the test, the relationship that was observed in the sample is even traceable in the population because the calculated significance value (i.e. 0.009) is less than 5% level of significance. Therefore, in the population there is association between risk perception in respect of equity shares of other than OIL and level of risk perception arising from the product dimension.

Table 6 shows the relation between risk perception in respect of equity shares of other than OIL and level of risk perception arising from price dimension. It is found in the sample, as presented in the table 6 that the observed association between ‘risk perception in respect of equity shares of other than OIL’ and ‘level of risk perception arising from price dimension’ is found to be very low since calculated Cramer’s V is equal to 0.166. Given the test, the relationship that was observed in the sample is even traceable, for the population because the calculated significance value (i.e. 0.0) is less than 5% level of significance.

**Table No. 6 : 'Risk Perception in respect of Equity Shares of other than OIL' and 'Level of Risk perception arising from Price Dimension'**

Risk Perception in respect of equity shares of Other than OIL	Level of Risk Perception arising from Place dimension						Total
		Very low level of risk perception	Low level of risk perception	Moderate level of risk perception	High level of risk perception	Very High level of risk perception	
Very Risky	Count	0	11	10	31	17	69
	% of Total	0.00%	2.90%	2.60%	8.20%	4.50%	18.30%
Somewhat Risky	Count	1	16	34	68	26	145
	% of Total	0.30%	4.20%	9.00%	18.00%	6.90%	38.40%
Moderate	Count	1	7	17	45	12	82
	% of Total	0.30%	1.90%	4.50%	11.90%	3.20%	21.70%
Somewhat Safe	Count	9	15	17	29	9	79
	% of Total	2.40%	4.00%	4.50%	7.70%	2.40%	20.90%
Absolutely Safe	Count	0	0	0	3	0	3
	% of Total	0.00%	0.00%	0.00%	0.80%	0.00%	0.80%
Total	Count	11	49	78	176	64	378
	% of Total	2.90%	13.00%	20.60%	46.60%	16.90%	100.00%

Source: Compiled from the Questionnaire

**Table No. 7 : 'Risk Perception in respect of Equity Shares of other than OIL' and 'Level of Risk perception arising from Promotion Dimension'**

Risk Perception in respect of equity shares of Other than OIL	Level of Risk Perception arising from Place dimension						Total
		Very low level of risk perception	Low level of risk perception	Moderate level of risk perception	High level of risk perception	Very High level of risk perception	
Very Risky	Count	1	4	23	36	5	69
	% of Total	0.30%	1.10%	6.10%	9.50%	1.30%	18.30%
Somewhat Risky	Count	2	10	52	73	8	145
	% of Total	0.50%	2.60%	13.80%	19.30%	2.10%	38.40%
Moderate	Count	0	6	39	34	3	82
	% of Total	0.00%	1.60%	10.30%	9.00%	0.80%	21.70%
Somewhat Safe	Count	6	9	38	25	1	79
	% of Total	1.60%	2.40%	10.10%	6.60%	0.30%	20.90%
Absolutely Safe	Count	0	2	0	1	0	3
	% of Total	0.00%	0.50%	0.00%	0.30%	0.00%	0.80%
Total	Count	9	31	152	169	17	378
	% of Total	2.40%	8.20%	40.20%	44.70%	4.50%	100.00%

Source: Compiled from the Questionnaire

Therefore, in the population there is association between risk perception in respect of equity shares of other than OIL and level of risk perception arising from the price dimension.

The relation between risk perception in respect of equity shares of other than OIL and level of risk perception arising from promotion dimension is presented in table 7. In the sample, as presented in the table 7, the observed associationship between 'risk perception in respect of equity shares of other than OIL' and 'level of risk perception arising from promotion dimension' is found to be very low since calculated Cramer's V is equal to 0.163.

Given the test, the relationship that was observed in the sample is even traceable in the population because the calculated significance value (i.e. 0.001) is less than 5% level of significance.

Thus, in the population there is association between risk perception in respect of equity shares of other than OIL and level of risk perception arising from the promotion dimension.

Finally, the relation between risk perception in respect of equity shares of other than OIL and level of risk perception arising from place dimension is shown in table 8.

**Table No. 8 : 'Risk Perception in respect of Equity Shares of other than OIL' and 'Level of Risk perception arising from Place Dimension'**

Risk Perception in respect of equity shares of Other than OIL	Level of Risk Perception arising from Place dimension						Total
		Very low level of risk perception	Low level of risk perception	Moderate level of risk perception	High level of risk perception	Very High level of risk perception	
Very Risky	Count	1	14	15	31	8	69
	% of Total	0.30%	3.70%	4.00%	8.20%	2.10%	18.30%
Somewhat Risky	Count	0	32	49	62	2	145
	% of Total	0.00%	8.50%	13.00%	16.40%	0.50%	38.40%
Moderate	Count	0	9	40	28	5	82
	% of Total	0.00%	2.40%	10.60%	7.40%	1.30%	21.70%
Somewhat Safe	Count	8	27	30	13	1	79
	% of Total	2.10%	7.10%	7.90%	3.40%	0.30%	20.90%
Absolutely Safe	Count	0	0	2	1	0	3
	% of Total	0.00%	0.00%	0.50%	0.30%	0.00%	0.80%
Total	Count	9	82	136	135	16	378
	% of Total	2.40%	21.70%	36.00%	35.70%	4.20%	100.00%

Source: Compiled from the Questionnaire

In the sample, as presented in the table 8, the observed associationship between 'risk perception in respect of equity shares of other than OIL' and 'level of risk perception arising from place dimension' is found to be low since

calculated Cramer's V is equal to 0.217. Given the test, the relationship that was observed in the sample is even traceable in the population because the calculated significance value (i.e. 0.0) is less than 5% level of significance. It means that there is



relation between risk perception in respect of equity shares of other than OIL and level of risk perception arising from the place dimension.

From the above discussion, it is evident that there is influence of risk perception arising from all the four elements of marketing mix [i.e. product, price, promotion and place] on the overall risk perception of the employees of OIL in respect of equity shares of other than OIL.

#### 4.1 CONCLUSION

The purpose of this study is to ascertain the influence of elements of marketing mix, known as 4Ps of marketing on the overall risk perception of employees of OIL in respect of equity shares of OIL as well as equity shares of other than OIL. It is found that out of four elements of marketing mix considered in the study, the influence of product and price driven measure of risk perception on the overall risk perception of the employees of OIL, in respect of equity shares of OIL is not established. It is because as the respondents are the employees of OIL, they are familiar with the workings of OIL and being the internal members of the organisation they have the knowledge about the company's future plans, growth, new contracts the company is getting, new areas where the company is entering and all these have implications on their knowledge regarding the return from the equity shares of OIL. Moreover, they have been given the shares of OIL as Employee Stock Option Plan [ESOP] and hence many of complex rules and regulations and many of the requirements for getting equity shares issued to them have been simplified. Risk perception is related to conceptions of knowledge which stress the limits of science and different, ways of knowing (Sjöberg L., Moen B.E, Rundmo T, 2004). It is because of this reason the

product dimension of equity share in not influencing the overall risk perception in respect of equity shares of OIL. Price is also not a significant influencing variable as the equity shares of OIL are not listed on the stock exchange and hence continuous availability of price is not there and therefore, the risk perception due to price dimension does not have significant influence on their overall risk perception in respect of equity shares. But promotion and place driven measure of risk perception do have influence on the overall risk perception of the employees in respect of equity shares of OIL. In respect of equity shares of other than OIL, all the four elements of marketing mix [i.e. product, price, promotion and place] have influence on the overall risk perception of the employees in respect of equity shares of other than OIL.

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