

LITERATURE REVIEW ON COUNTRY OF MAKE & MAKE IN INDIA MANTRA

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Abstract— This paper deals with the view on country of make and regarding the new campaign of ‘Make in India’. This campaign is a big step in the right direction. Focus and intention is evident in this policy. The analysis of the whole campaign can be done only after one or two sets of products come out using this policy. India should be able to produce products that any other nation consumes in large quantities, at prices lower than the respective countries would have to pay if the product was made elsewhere. Quality product at reasonable price can be used as penetration strategy by managers for market.

I. INTRODUCTION

Country-of-Make (COM) of a product is one of the key factors on consumer behavior. As many of the countries have now opened up the economy for foreign trade it is even more important to measure consumers’ attitudes on both domestic and foreign products (Netemeyer et al.,1991). For many consumers a product’s COM is an important identifying factor in evaluating any product of both domestic and foreign countries (Ahmed et al., 2002). The "Made-in" label increases the consumers' awareness of quality of the product. It has found out in earlier researchers that information regarding COM help buyers to evaluate, and in certain cases, even determine their choice (Baumgartner and Jolibert, 1977; Chao, 1989). Analysis have shown that consumers around the world use COM as a important factor in product evaluation (e.g. Bilkey and Nes, 1982; Hong and Toner, J.F, 1989; Maheswaran, 1994)

Nagashima (1970) suggests that the “Made In” sign is the brand and reputation by itself and attaching it to a products is an impacting factor on purchase behavior. The phrase ‘made in’ has a strong influence on consumer behavior in the purchase market, as it is associated with reaching more audience and personal experience.

Various researchers like , Laroche and group in 2005; Papadopoulos and group in 1990; Parameswaran and Pisharodi, 1994; Roth and Romeo, 1992 suggest that the country of make should comprise a emotional and mental component, which reminds about the consumers' beliefs and value of respective country and consumers' behavioral motive with respect to the sourcing country.

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II. THE MAKE IN INDIA VISION

India’s manufacturing sector contributes around fifteen percent of the national GDP . The collective and ultimate goal of this mission is to grow the present GDP which manufacturing sector contributes to twenty five percent. With this introduction government foresees to generate more employment and FDI and in turn change India from a importing country to a manufacturing country which can be exported.

The influence and characteristic elements associated with country of make is one of the high researched area in international business and consumer behaviour (Papadopoulos and Heslop, 2003)

III. SECTORS IN FOCUS

In this process the government has identified twenty five sectors where they would initially concentrate. These sectors were identified based on the highest level of foreign direct investment.

Automobiles	Food Processing	Renewable Energy
Automobile Components	IT and BPM	Roads and highways
Aviation	Leather	Space
Biotechnology	Media and Entertainment	Textiles and garments
Chemicals	Mining	Thermal Power
Construction	Oil and Gas	Tourism and Hospitality
Defence manufacturing	Pharmaceuticals	Wellness
Electrical Machinery	Ports	Electronic Systems
	Railways	

IV. BENEFITS AND DISADVANTAGES OF MAKE IN INDIA

India has immense natural resources. There is large reservoir of human resource and educated youth. If India becomes a outsourcing hub of the world, it would soon mostly selected by the investors also. By this process government is trying to improve Indian economy. Government has taken necessary steps on liberalization of tax, law governing land acquisition etc. The main advantage in this process is reduction in the cost of the product; thereby making the product much more reachable and buyable to the public. It also gives the organization the ability to develop new competencies and new skill that can be used for various other innovative strategy.

But the labor laws prevailing in India is not favoring this process or campaign.

Government has to do human recourse development for 30-40 years in collaboration with universities, industries and institutions to make India a country of skilled people. The foreign direct investment has been liberalized recently. Hundred percent transparent and quick process is made for construction, maintenance and operations in railway projects. It is for the manufacturing sector that have to exploit the physical infrastructure and the utilize the educated and skill human resource.

Government will have to exercise measure to provide the right skill people to the right industry as per their standards. Government's effort would be to equip the people who can work effectively with the required skill so that the manufacturing sector employs the right person as the right place. For this purpose government has to first create a 'Department of Skill Development and Entrepreneurship (DSDE)'.

With the introduction of this policy we are trying to follow path of other countries like Japan and China who initially started its growth by making products for United States.

V. HAS TIME RUN OUT?

India has realized this manufacturing sector crisis long ago itself but did not do much except to put certain committees to make reports. The light of hope poking through the window like manufacturing leading to export might have closed for India. When analyzed it may be due to two reasons. First reason might be because of supply efficiencies. Manufacturing companies move or relocate if they see similar or companies in their supply chain also have set up their units in that region. Second reason might be because production process in many of the countries is done automatically or through robots. India might not have been equipped in this robotics or automation as per the industry standards.

VI. THE ROAD AHEAD

Before going for the wide spread implementation of the project it is worthwhile investigating if the products are made in Indian what the consumers' perception towards that product would be?. Will the products match the international standards and technology.?

CONCLUSION

This campaign is a big step in the right direction. Focus and intention is evident in this policy. We will have to wait a see how the implementation proceeds. The analysis of the whole campaign can be done only after one or two sets of products come out using this policy. India should be able to produce products that Americans or any other nation consumes in large quantities, at prices lower than the respective countries would have to pay if the product was made elsewhere. Quality product at reasonable price can be a used as penetration strategy by managers for market. As a whole make in India is a great idea. The Indian consumer has crossed this age and the domestic demand will keep on increase for which ,one point has to be justified with the concept of 'Make in India'.

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