

**Perceived Quality and Brand Loyalty of Smartphones: An Empirical Investigation of Celebrity Endorsements in Indian Market**

Celebrity endorsements play an extremely important role in adding value to brands. Despite extensive research in the field of celebrity endorsements by academicians in recent years, different findings and opinions exist in regards to how it works and how one can utilize endorsements effectively to create brand loyalty. This research aims to examine the impact of celebrity endorsements on perceived quality and loyalty of the endorsed brand. Valid responses were obtained from 210 respondents surveyed through mall intercept interviews for six smartphone brands (Samsung, Nokia, Apple, Micromax, Lava and Karbonn). The role of celebrity endorsements was found to be significant and positive in influencing brand loyalty and perceived quality. The role of celebrity endorsements is more profound in creating brand loyalty as compared to creating positive quality perceptions. The findings also indicate a positive and significant relationship between perceived quality and brand loyalty. These findings show that celebrities are good at not only generating attention and recall but are able to create positive perceptions of brand quality and brand loyalty. Implications for scholars and practitioners, limitations and the scope for future research are discussed.

Keywords: Celebrity endorsements, Brand loyalty, Perceived quality, Brand awareness, Brand associations.

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**Multivariate Discriminant Predictive Modelling of Transactional Credit Risk in SME and Mid-corporate Lending**

This paper aims to develop a credit risk assessment model based on multivariate discriminant analysis (MDA) for predicting default risk in grant of business loans by Indian public sector commercial banks. The study uses a sample of 47 bank loans to small and medium enterprises (SMEs) and mid-corporates, by an Indian public sector bank, to design a three-group discriminant model, based on financial and non-financial factors. The results show that this model performs better than the Altman et al. (1995) - Emerging Markets Z-score model with re-estimated discriminant scores. The combination of quantitative and qualitative risk factors improved credit risk assessment and the model could accurately classify 97.5 per cent and 71.4 per cent in analysis and hold-out samples respectively. The findings confirm that by using both financial and non-financial characteristics of loan counterparties in multi-discriminant analysis, banks can predict

credit risk in each loan transaction, and can map rating transitions to develop early warning signals of default which will ultimately help them to capture bad loans.

Keywords: Credit ratings, Default risk, Mid-corporates, Inadequate safety, Rating history.

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**Stock Buy Recommendations and their Impact: Evidence from Indian Capital Markets**

Recommending a stock corresponds to providing investors with information and insights into particular companies they follow with the intention of guiding them for taking relevant investment decisions. This paper aims to analyse the impact of stock 'buy' recommendation from reputed foreign brokerage houses on stocks' return, using event study methodology. The study focused on 100 firms listed on National Stock Exchange and Bombay Stock Exchange, which have been recommended till March 31, 2015. The sampled stocks were further categorized into large cap, mid cap, and small cap stocks. With reference to buy recommendation, the impact of event study on average abnormal return was found to be positive and significant in post event period for stocks overall market capitalization. In terms of cumulative average abnormal returns, impact of 'buy' recommendation was found to be negative but insignificant for large cap and mid cap stocks but positive and significant for small cap stocks. The results indicate market inefficiency of small cap stocks and are therefore an addition to Indian capital market literature.

Keywords: Stock recommendation, Event study, Average abnormal returns, Cumulative average abnormal returns, Small cap stocks.

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**The Journey of Micro-Insurance in India – A Snap Shot**

Micro-insurance is recognized as a useful tool in economic development. Since many low-income people do not have access to adequate risk-management tools, they are vulnerable to risks and economic shocks; the way for them to protect themselves is micro insurance. By helping low-income households in managing risk, it can assist them to maintain a sense of financial buoyancy even in the face of significant vulnerability. If governments, donors, development agencies and others are serious about antagonistic to poverty, micro insurance will be one of the weapons in their arsenal. The present paper examines the impact of Micro-insurance on Poverty eradication.

Keywords: Intermediaries, Micro-insurance, Poverty eradication, Performance, Risk pooling.

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**A Study on Modelling the Personality Construct of Brands**

Brand personality, which is defined as “personality attributes associated with the brands” forms the core of the symbolic attributes of a brand. Firms attain a differential position among all the competing brands, by designing a suitable brand personality. Although theoretical studies illustrated the construction of brand personality and identified important constructing factors, empirical validation of the theories and the constructing components was not done. Moreover, identification of the relative importance of the brand personality constructing components across different brands was also not done. In this work, an attempt has been made to create a model of brand personality, adhering to the theoretical studies. A methodology is also developed to empirically justify the relevance of the theoretical construct. The relative importance of the constructing components of brand personality is also measured across different brands of wrist watch operating in the Indian market product categories.

Keywords: Brand personality; Brand personality constructs; Direct association; Indirect association; Modeling brand personality;

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**Shareholder Value Creation – Comparison of Traditional Accounting Measures and EVA as Predictors of MVA**

An imperative task of the business organizations is to align all the efforts for increasing shareholder's wealth. Market value added (MVA) is one of the external indicators which determine whether management has created or destroyed value. So the main aim of the paper is to evaluate traditional accounting measures and economic value added (EVA) as predictors of MVA so that it would lead to better management decisions for increasing shareholder value. To achieve this, the study compared the relative and incremental information content of 11 traditional accounting measures with that of EVA for a sample of 201 companies covering a period of eight years starting from 2005 till 2012. Findings of the study reveal that only six independent variables, namely, EPS, DPS, ROE, DTR, NPM and EVA were able to establish significant correlation with MVA and hence are included in regression models. The regression results for relative and incremental information content establish EVA's superiority over traditional accounting measures in predicting MVA. Based on the findings, the study suggests usage of EVA as value driver and Indian companies should start providing information regarding Economic Value created by them so as to let investors know the performance of the company and make correct investment decision.

Keywords: Shareholder value creation, Correlation analysis, Regression analysis, Economic value added, Market value added.

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