CHAPTER 7: FINDINGS, CONCLUSIONS AND SUGGESTIONS

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Summary
CHAPTER 7: FINDINGS, CONCLUSIONS AND SUGGESTIONS

7.1 Introduction: The findings, conclusions and recommendations are derived from the Data Analysis and Interpretation and from the Testing of Hypothesis. Suggestions are drawn with a view to bring about certain improvement in price and offers provided by Amway and recommendations are made for the future research in the area.

7.2 Findings:

The profile of Amway India Enterprises Pvt. Ltd. as discussed in Chapter 4 show that the company is well established and doing well in direct marketing sector. Amway is trying its level best to generate good amount of business volume and support IBOs to develop their own business through recruiting new IBOs and expand the business positively. Following are the findings based on overall data analysis and inferences

7.2.1. Findings from the Data Analysis and Interpretation:

I. After studying and analysing the determinants of development of IBOs it is found that the role of Amway India is significant in development of IBOs.

II. After analyzing the overall rating of Amway products it is found that the IBOs are satisfied with overall rating of Amway products as far as quality, availability, and services is concerned and dissatisfied with price and offers of the product. IBOs claims that price of the products are high and they have not satisfied on offers provided on the products.
III. The determinants for development of IBOs contribute in different percentages individually. The determinants of IBOs considered here like Personality Development, Life Style, Business Development, Business Security and Income Level

It has found that out of 542 respondents, 427 (78.80%) IBOs has developed their personality, 426 (78.69%) IBOs has developed life style and 419 (77.25%) IBOs has improved their income level. It is also found that Assistance in business development (98.20%) and Business security (100%). This indicates that Amway has a mammoth contribution towards the development of IBOs in aforesaid determinants.

IV. It has found that there is no significant difference in the opinion of IBOs (male and female) from Pimpri-Chinchwad and Pune area on the given parameters i.e. Personality Development, Business Development, Life Style, Business Security and Income Level of IBOs. It shows the similar perceptions of IBOs from Pune and Pimpri-Chinchwad towards the development parameters practised by Amway.

V. It has found that there is no significant difference in the number of respondent in each category of age who responded for different parameters from Pune and Pimpri-Chinchwad area. It means the opinion of all the age category-wise IBOs from Pune and Pimpri-Chinchwad area are similar regarding the determinants for development.

VI. It has found that there is no significant difference in the number of respondent in each category of education who responded for different
parameters from Pune and Pimpri-Chinchwad area. However, in post graduate category there is significance of difference for IL3 and LS2 parameter. Post graduate IBOs were not satisfied with their current income from Amway business (IL3) and at the same time they responded that their life style and standard of living (LS2) was not affected or improved because of Amway.

VII. It has found that there is no significant difference in the number of respondent in each category of income level who responded for different parameters from Pune and Pimpri-Chinchwad area. However, in income category between Rs. 5.1 lack to 8 Lakhs there is significance difference for LS5 parameter. These income level IBOs were denied that the person who is serious in this business will improve his life style and standard of living remarkably.

**Hypotheses Tested:**

1. **Hypothesis 1:** “Role of Amway India Enterprises is significant in development of Independent Business Owners (IBOs) in Pune and Pimpri-Chinchwad area”.

We reject the null hypothesis and accept that the role of Amway is significant in development of IBOs. It has found that, 78.80% of IBOs personality developed, 78.69% of IBOs life style is improved, 98.20% of IBOs says that they got assistance in business development, all the IBOs says that they have business security and 77.25% IBOs proclaims that their income level increased due to Amway.
2. **Hypothesis 2**: “The IBO’s are satisfied with Amway products “

This hypothesis bifurcated in five parameters and tested differently to check the satisfaction of IBOs towards a. Product quality, b. availability, c. Price, d. offers and e. services respectively.

We fail to reject the null hypothesis in case of price and offers and consider that IBOs are not satisfied towards Product price and offers provided by Amway. However in overall rating the responses have negligible count. On the other side the hypotheses in case of product quality, availability and services, we reject the null hypotheses and accept that IBOs are considerably satisfied with these parameters.

3. **Hypothesis 3**: “There is significant difference between opinions of IBOs towards different parameters from Pune and Pimpri-Chinchwad area on the basis of Gender, Age profile, Educational Qualification and Annual Income”.

This hypothesis is also bifurcated to test on Gender, Age, Educational qualification and Annual Income respectively. In case of Gender and Age, we reject the null hypotheses. There is no any significant differences in opinions responded by IBOs.

While in case of education qualification and annual income we fail to reject the null hypothesis. Since IBOs who are post graduate and the IBOs having annual income above Rs. 5.1 lakhs, show neutral responses for any developmental changes due to Amway in their current income, lifestyle and standard of living.
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7.3 Conclusions:

1. The international presence of Amway shows that company is doing better and satisfied their IBOs on the front of economic and social development. So people can earn extra income and live better life.

2. It is concluded from the findings that there are large number of females, working as well as housewives associated with Amway being active IBOs (72%), flourishing business opportunities and have considerable share in earning of their family.

3. Assistance in Business Development and Job Security factors are the most significant contributor, almost all the IBOs have given priority to the Assistance in their Business Development (98.20%) and Business Security (100%) in Amway Business development. The other parameters like Personality development, lifestyle and income enhancements have got lesser importance than the aforesaid parameters.

4. It is also concluded that the opinion of IBOs towards different parameters from Pimpri-Chinchwad and Pune area are quite similar. This inculcates that location doesn’t matter for associating with Amway irrespective of gender, age, educational level and annual income of the IBOs.

5. The IBOs have substantial growth within first three years of their tenure. This may be due to rampant social networking, while it shows a steady growth after three years.
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7.4 Suggestions:

1. Amway have to take strong and confident steps to improve the offers on the products so that overall sales shall increase and it will lead to increase the level of satisfaction among the IBOs. Basically offers are the major promotional aids which push the company sales positively. So Amway has to redesign their offers for all the products and come up with good schemes to attract the IBOs as well as consumers such as quantity discounts, bonus, complimentary products at the same price and incentives.

2. The Amway product quality is very rich. However, the prices of Amway products are very high and therefore it is difficult to maintain the customers’ base regularly. Amway has to focus on their pricing policy of the products which seems too high as responded by IBOs. Company should come with revised price policy for their product, so that sales volume can be generated and it will help the IBOs as well as consumers. This is very important in the context of designing effective retention policy of IBOs and consumers for any organization.

3. As far as distribution is concerned, only two distribution centers are available in Pune and Pimpri-Chinchwad area which is insufficient for 6000 IBOs to issue their orders frequently. So the company has to plan for additional distribution centers for the convenience of IBOs.

4. There are some IBOs who are not doing their business up-to the mark, company has to identify these IBOs and should diagnose their problems and provide proper guidance and solutions to them through special camps containing how to do Amway business, how to set the appointment, how to overcome of the objections, how to use the
product, product trainings etc. this can motivate the IBOs and develop the business positively.

5. Post Graduate IBOs are not satisfied with their current income generated through Amway business so company has to segment such IBOs and provide new vistas for their business development and follow-up to enhance the motivation levels.

6. The IBOs whose income is in between Rs.5.1 to 8 lakhs from other sources are having higher expectations from Amway Business and hence they claim that their life style and standard of living is not enhanced because of Amway. This restrains their Amway Business. Company has to segment such group and provide special training towards business development which will help them to develop their Amway business so they can feel more secured and worthy in associating with Amway.

7. Amway has to invest more into advertisement and promotion.

8. Amway has to target and manufacture products for the rural mass of India.

9. Amway has to allow its products to be sold in retail stores so as the product will be available anywhere anytime.

10. Basically Amway products are meant for higher and wealthy classes of the society so Amway should think about Bottom of Pyramid.
7.5 Scope for future research:

1. “A Study of comparative analysis of Independent Business Owners (IBOs) of other direct marketing companies” on the same parameters can conclude the overall satisfaction level of IBOs in direct marketing companies.

2. “Preferences and attitudes of consumers’ towards Amway products” will lead to understand the consumer expectations and further products can be developed as per the market needs.

3. “To design the model on marketing mix exclusively for Amway”. Such research will definitely help to promote Amway business in terms of product sales as well as IBOs associations with Amway.
Summary:

The various statistical techniques such as factorial analysis, ANOVA and ‘z’ test used in the testing of hypotheses interprets and explains that the role of Amway India Enterprises is significant in development of IBOs with respect to Personality Development, Life Style, Assistance in Business Development, Business Security and Income Level in Pune and Pimpri-Chinchwad area.

It is also confirmed that there is no significant difference between opinion of IBOs towards different parameters from Pune and Pimpri-Chinchwad irrespective of gender, age, educational qualification and annual income is concerned. It means all IBOs from Pune and Pimpri-Chinchwad area having the similar attitude and opinion towards Amway for the said parameters.

The IBOs are satisfied with Quality, Availability and services are concerned. IBOs have varied responses towards price and offers provide by Amway but are not dissatisfied.