INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, ECONOMICS & MANAGEMENT

IJRCM

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A., Google Scholar,
Indian Citation Index (ICI), J-Gage, India [link **of** the same is duly available at Inflibnet of University Grants Commission (U.G.C.)],
Index Copernicus Publishers Panel, Poland with IC Value of 5.09 (2012) & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than **7144 Cities** in **197 countries/territories** are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

http://ijrcm.org.in/

CONTENTS

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to the recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography: Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** ***anytime*** in ***M.S. Word format*** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. infoijrcm@gmail.com or online by clicking the link **online submission** as given on our website (***FOR ONLINE SUBMISSION, CLICK HERE***).

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION:**

DATED: _____________

THE EDITOR

IJRCM

Subject: **SUBMISSION OF MANUSCRIPT IN THE AREA OF** ______________________________.

(e.g. Finance/Mkt./HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

DEAR SIR/MADAM

Please find my submission of manuscript titled '____' for likely publication in one of your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published anywhere in any language fully or partly, nor it is under review for publication elsewhere.

I affirm that all the co-authors of this manuscript have seen the submitted version of the manuscript and have agreed to inclusion of their names as co-authors.

Also, if my/our manuscript is accepted, I agree to comply with the formalities as given on the website of the journal. The Journal has discretion to publish our contribution in any of its journals.

NAME OF CORRESPONDING AUTHOR	:
Designation/Post*	:
Institution/College/University with full address & Pin Code	:
Residential address with Pin Code	:
Mobile Number (s) with country ISD code	:
Is WhatsApp or Viber active on your above noted Mobile Number (Yes/No)	:
Landline Number (s) with country ISD code	:
E-mail Address	:
Alternate E-mail Address	:
Nationality	:

* i.e. Alumnus (Male Alumni), Alumna (Female Alumni), Student, Research Scholar (M. Phil), Research Scholar (Ph. D.), JRF, Research Assistant, Assistant Lecturer, Lecturer, Senior Lecturer, Junior Assistant Professor, Assistant Professor, Senior Assistant Professor, Co-ordinator, Reader, Associate Professor, Professor, Head, Vice-Principal, Dy. Director, Principal, Director, Dean, President, Vice Chancellor, Industry Designation **etc**. ***The qualification of author is not acceptable for the purpose***.

NOTES:

a) The whole manuscript has to be in ***ONE MS WORD FILE*** only, which will start from the covering letter, inside the manuscript. ***pdf. version* is liable to be rejected without any consideration**.

b) The sender is required to mention the following in the **SUBJECT COLUMN of the mail**:

New Manuscript for Review in the area of (e.g. Finance/Marketing/HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

c) There is no need to give any text in the body of the mail, except the cases where the author wishes to give any **specific message** w.r.t. to the manuscript.

d) The total size of the file containing the manuscript is expected to be below **1000 KB**.

e) Only the **Abstract will not be considered for review** and the author is required to submit the **complete manuscript** in the first instance.

f) ***The journal gives acknowledgement w.r.t. the receipt of every email within twenty-four hours*** and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of the manuscript, within two days of its submission, the corresponding author is required to demand for the same by sending a separate mail to the journal.

g) The author (s) name or details should not appear anywhere on the body of the manuscript, except on the covering letter and the cover page of the manuscript, in the manner as mentioned in the guidelines.

2. **MANUSCRIPT TITLE:** The title of the paper should be typed in **bold letters**, **centered** and **fully capitalised**.
3. **AUTHOR NAME (S) & AFFILIATIONS:** Author (s) **name**, **designation**, **affiliation** (s), **address**, **mobile/landline number** (s), and **email/alternate email address** should be given underneath the title.
4. **ACKNOWLEDGMENTS:** Acknowledgements can be given to reviewers, guides, funding institutions, etc., if any.
5. **ABSTRACT:** Abstract should be in **fully Italic printing**, ranging between **150** to **300 words**. The abstract must be informative and elucidating the background, aims, methods, results & conclusion in a **SINGLE PARA**. ***Abbreviations must be mentioned in full***.
6. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of **five**. These should be arranged in alphabetic order separated by commas and full stop at the end. All words of the keywords, including the first one should be in small letters, except special words e.g. name of the Countries, abbreviations etc.
7. **JEL CODE:** Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at www.aeaweb.org/econlit/jelCodes.php. However, mentioning of JEL Code is not mandatory.
8. **MANUSCRIPT:** Manuscript must be in ***BRITISH ENGLISH*** prepared on a standard A4 size ***PORTRAIT SETTING PAPER***. *It should be free from any errors i.e.* ***grammatical, spelling*** *or* ***punctuation.*** *It must be thoroughly edited at your end*.
9. **HEADINGS:** All the headings must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
10. **SUB-HEADINGS:** All the sub-headings must be bold-faced, aligned left and fully capitalised.
11. **MAIN TEXT:**

THE MAIN TEXT SHOULD FOLLOW THE FOLLOWING SEQUENCE:

INTRODUCTION

REVIEW OF LITERATURE

NEED/IMPORTANCE OF THE STUDY

STATEMENT OF THE PROBLEM

OBJECTIVES

HYPOTHESIS (ES)

RESEARCH METHODOLOGY

RESULTS & DISCUSSION

FINDINGS

RECOMMENDATIONS/SUGGESTIONS

CONCLUSIONS

LIMITATIONS

SCOPE FOR FURTHER RESEARCH

REFERENCES

APPENDIX/ANNEXURE

The manuscript should preferably be in ***2000 to 5000 WORDS***, But the limits can vary depending on the nature of the manuscript.

12. **FIGURES & TABLES:** These should be simple, crystal **CLEAR**, **centered**, **separately numbered** & self-explained, and the **titles must be above the table/figure**. **Sources of data should be mentioned below the table/figure**. *It should be ensured that the tables/figures are referred to from the main text*.

13. **EQUATIONS/FORMULAE:** These should be consecutively numbered in parenthesis, left aligned with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word may be utilised. If any other equation editor is utilised, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that does not have the editor.

14. **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on its first use in each section e.g. Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.

15. **REFERENCES:** The list of all references should be alphabetically arranged. ***The author (s) should mention only the actually utilised references in the preparation of manuscript*** and they may follow Harvard Style of Referencing. **Also check to ensure that everything that you are including in the reference section is duly cited in the paper**. The author (s) are supposed to follow the references as per the following:

- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
- Use (**ed.**) for one editor, and (**ed.s)** for multiple editors.
- When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc., in chronologically ascending order.
- Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
- The title of books and journals should be in italic printing. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
- For titles in a language other than English, provide an English translation in parenthesis.
- ***Headers, footers, endnotes** and **footnotes** should **not be used** in the document.* However, **you can mention short notes to elucidate some specific point**, which may be placed in number orders before the references.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–23

UNPUBLISHED DISSERTATIONS

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITES

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 http://epw.in/user/viewabstract.jsp

DETERMINANTS OF CONSUMER'S BRAND SWITCHING BEHAVIOR OF AUTOMOTIVE PRODUCTS

TRI WAHYUARINI
ASSOCIATE PROFESSOR
DEPARTMENT OF BUSINESS ADMINISTRATION
STATE POLYTECHNIC OF PONTIANAK
WEST KALIMANTAN

SRI SYABANITA ELIDA
ASSOCIATE PROFESSOR
DEPARTMENT OF BUSINESS ADMINISTRATION
STATE POLYTECHNIC OF PONTIANAK
WEST KALIMANTAN

EVI SOFIANA
ASSOCIATE PROFESSOR
DEPARTMENT OF BUSINESS ADMINISTRATION
STATE POLYTECHNIC OF PONTIANAK
WEST KALIMANTAN

LILIS LISTIYAWATI
ASSOCIATE PROFESSOR
STATE POLYTECHNIC OF PONTIANAK
WEST KALIMANTAN

SYARIFAH NOVIEYANA
ASSOCIATE PROFESSOR
STATE POLYTECHNIC OF PONTIANAK
WEST KALIMANTAN

A. JALALUDIN SAYUTI
ASSOCIATE PROFESSOR
DEPARTMENT OF BUSINESS ADMINISTRATION
STATE POLYTECHNIC OF SRIWIJAYA
INDONESIA

ABSTRACT

This study's topic is consumer's brand switching behavior of automotive products. The title of this study is the Determinants of brand switching by consumers in purchasing automotive products. The automotive product referred here is cars. Brand plays an important role in consumer purchasing decisions. In relation to the brand, there are two possible decisions that will be taken by consumers, first possibility is the determination to keep buying the same brand; or the second possibility is to choose a brand other than what is usually consumed. This second possibility is called brand switching behavior. There are several factors that cause consumers to switch brands and the purpose of this study is to confirm these factors, namely brand image, product quality, satisfaction, e-WOM and price changes. This research is a quantitative study using a questionnaire as the main tools of data collection. Data processing will be carried out using a linear regression analysis tool using SPSS as the data processing application. The number of samples is 121 respondents using convenience sampling as the sampling technique. The results obtained are satisfaction and e-WOM has proven to have an effect on brand switching behavior among consumers of automotive products. Meanwhile, brand image, product quality and price changes did not prove to have an effect on brand switching behavior.

KEYWORDS
brand image, brand switching, e-WOM, satisfaction.

JEL CODES
M11, M14, M15, M31.

1. INTRODUCTION

Brands are generally used by consumers as a differentiator among various products and services available in the market. Kotler (2002) defines a brand as a promise from the seller to provide certain features, benefits and services to the buyer consistently. From the definition it is known that a good brand will guarantee quality and not just a symbol.

Consumers will avoid the risk of disappointment in purchasing products and services by being loyal to the same brand. If consumers have absolutely no experience in consuming certain products or services, they often prefer to buy well-known products or services with the assumption that these brands provide guarantees of satisfactory quality, performance and service (Schiffman and Kanuk, 2000). In other words, consumers will choose products or services that already have a brand image. Research by Cetin, Kuscu, Ozcam and Erdem (2016) on car owners in Turkey found the effect of brand image and satisfaction on brand loyalty. Nasir, Sularso, Irawan and Paramu's research (2020) on brand loyalty for Honda motorbike buyers in Solo City found that brand reputation, brand satisfaction, credibility, consumer expectations and service quality had a positive effect on building trust in the brand which ultimately affected brand loyalty.

Certain reasons such as dissatisfaction with the product, better offers from competitors, lower competitors' prices, or seeking variety can cause consumers to switch brands. This behavior is referred to as brand switching behavior. Assael (1998) states that brand switching behavior usually occurs in low involvement products or services, in which consumers do not involve many factors and information in their purchases. Loprang's research (2015) found that consumers tend to switch brands when purchasing instant noodles mainly due to dissatisfaction, product quality, promotions, prices, and price changes. Instant noodles are a low involvement product, so they are prone to brand switching. Research by Juniawan and Artha Kusuma (2017) found that there were several factors that were proven to shape the behavior of switching taxi consumer brands from conventional to online, namely price, service failure, employee response and ethical issues. Existing research proves that brand switching behavior does not only occur in low involvement products. Indriyani and Pasharibu's (2020) research on the brand switching behavior of smartphone users shows that the need to seek variety, consumer dissatisfaction, e-WOM and price a significant influence on consumer’s brand switching decisions. Angamuthu's research (2019) found that dissatisfaction with cars owned due to problems such as high maintenance costs led to the behavior of switching car consumer brands in India.

Cars are commonly used in Indonesia, but Indonesia is still the only assembler of automotive product brands from other countries. Eventhough Indonesia only acts as an assembler, the interest of the Indonesian people to buy cars is very high. This can be seen from the number of car sales in 2021 which were recorded at 863,348 units, up 50.3% from car sales in 2020 of 578,321 units (tempo.otomotif.co; 2022). Toyota Astra Motor occupies the top market share with 33.34%, followed by Astra Daihatsu with 18.58% and Mitsubishi Motors with 12.13% market share. Car sales in 2021 jumped compared to sales in 2020 due to the elimination of Sales Tax on Luxury Goods up to 100% (Gaikindo.or.id, 2022).

Cars are not cheap. Even though the government removed the imposition of the Luxury Goods Tax for car purchases in 2021, car prices are still relatively high and cannot be classified as a low involvement product. Car consumers tend to be careful and seek various information before making a purchase. This information can be in the form of brands, prices, specifications and features. Car consumers make comparisons that take up to two months time before deciding to buy a particular brand of car (Purnama, 2017). Therefore, the car is categorized as a high involvement product. Research by Almana and Mirza (2013) in Saudi Arabia shows that before making a purchase, consumers will seek prior information. The study of Richins and Root-Shaffer (1987) in Assael (1998) confirms the influence of WOM communication in the form of news about cars, other people's experiences about cars on car buying decisions.

Research by Purwani and Dharmmesta (2002) who used Sambandam and Lord's Consideration model on car owners in Yogyakarta found that this model can explain brand switching behavior in high involvement products such as cars. The Sambandam and Lord (1995) model emphasizes the existence of information seeking by consumers about new brands related to experiences that have been obtained previously. Research by Purnama, Siswadi, Mujiatun, and Jufrizen (2021) regarding the brand switching behavior of car owners in Medan City found that brand image, product quality and satisfaction affect brand switching behavior. The higher the brand image, product quality and satisfaction felt by consumers, the lower the tendency of consumers to switch brands.

2. REVIEW OF LITERATURE

2.1. BRAND IMAGE

The brand is the main differentiator between the company's products and competitors' products which makes it easier for consumers to identify the company's products. Consumers who are inexperienced in consuming a product will tend to buy products that have a good brand image to avoid risks (Schiffman and Kanuk, 2000). Kotler (2012) mentioned that consumer’s perception and belief created brand image. Research Cetin et al. (2016) on car owners in Turkey found the influence of brand image and consumer satisfaction on brand loyalty, which means that if the brand image is high, consumers will tend to be loyal to certain brands and reduce brand switching behavior.

2.2. SATISFACTION

Consumer satisfaction is closely related to the expectations that were built previously. Consumers will feel satisfied if the product exceeds their expectations and vice versa. Satisfaction is the result of consumer’s feeling that arise after comparing the performance with expected performance, which can be led to pleasure or disappointment (Kotler and Keller; 2007). Junaidi and Dharmmesta (2002) define satisfaction as a function of how close consumer expectations of a product are to the perceived performance of the product. If product performance is lower than consumer expectations, dissatisfaction will occurred.

According to Assael (1998), satisfaction can strengthen positive attitudes towards a brand, increasing the tendency to repurchase the same brand, while dissatisfaction raises negative attitudes towards the brand and reduces the consumer’s tendency to repeat buying the same brand. Or in other words, dissatisfaction has the potential to cause brand switching behavior. Angamuthu's research (2019) found that dissatisfaction with the car owned due to high maintenance costs led to brand switching behavior.

2.3. ELECTRONIC WORD OF MOUTH (E-WOM)

Word of mouth communication (WOM) is a process in which a person influences the attitudes or actions of others informally (Schiffman and Kanuk, 2000). The influence exerted in this WOM is interpersonal and informal and occurs between two or more people, and neither of them represents the company or the marketer who directly benefits from the sale. The information communicated can be positive or negative. WOM is considered to play a significant role in consumer purchasing decisions (Hennig-Thurauw et al., 2004). The rapid development of the internet and social media today causes WOM to also occur electronically, referred to as electronic WOM. E-WOM can involve up to millions of people because of the characteristics of internet media which are multiple and can be accessed many times without a certain amount and period of time (Hennig-Thurauw et al., 2004). A study from Almana and Mirza (2013) shows that consumers spend time surfing the internet by reading comments and reviews about the products or services and proves that these comments and reviews (e-WOM) play an important role in making purchasing decisions. Research by Jalilvand (2012) who examined WOM electronics, found that WOM electronics affect brand image and buying interest of car consumers in Iran. while Al Halbusi and Tehseen (2018) found similar results with previous studies that e-WOM has an effect on brand image and purchase intention of branded car in Malaysia.

2.4. BRAND SWITCHING BEHAVIOR

Brand switching behavior is of course closely related to brand loyalty. The lower the brand loyalty, the greater the tendency for brand switching to occur. Judging from the additive and behavioral approaches, brand loyalty is related to attitudes towards tangible products, consumers will form beliefs, set likes and dislikes, and decide whether they want to buy the product or not (Purwani and Dharmmesta, 2002). Brand switching is actually a complex phenomenon influenced by various behavioral factors. Brand Switching Behavior is happened for certain reasons (Dharmmesta, 1999). Brand switching occurs because of the search for diversity by consumers.

Indriyani and Pasharibu's (2020) research on brand switching behavior by smartphone users shows that the need to seek variety, price, consumer dissatisfaction, and e-WOM have a significant influence on brand switching decisions. Research Purnama et al. (2021) regarding the brand switching behavior of car owners in Medan City found that brand image, product quality and satisfaction affect brand switching behavior. The higher the brand image, product quality and satisfaction felt by consumers, lowered the tendency of switching brand.

2.5. STATE OF ART RESEARCH

TABLE 1: STATE OF THE ART RESEARCH

No	Researcher and Publications	Title	Research Result
1	Loprang, J.V, *Jurnal Riset Bisnis dan Manajemen, 2015* Vol 3. No. 4. pp. 332-345	Analysis of Factors Considered by Consumers in Switching Instant Noodle Brands (Study on College Students in Manado City).	Factors considered by consumers in switching instant noodle brands, namely customer dissatisfaction, product quality, promotion, variety seeking, lower prices and price changes
2	Indriyani and Pasharibu *Jurnal Ekobis Dewantara* Vol. 3, No. 2 Mei 2020. Hal. 17-27	The Influence of Seeking Variety, Consumer Dissatisfaction, Price and E-WOM on Brand Switching (Study on Samsung Galaxy Series Smartphone Users Switching to iPhone).	The need for variety, price, consumer dissatisfaction, and e-WOM have a significant influence on brand switching decisions.
3	Angamuthu, Online journal of multidisciplinary subject, vol 13 issue 1, pp 408 - 421	A study on problem with brand ownership and brand switching behavior Perception in the Combatore district	The existence of dissatisfaction with cars owned by consumers in the past has an influence on brand switching behavior
4	Purwani, K., Dharmmesta, B.S., 2020, *Jurnal Ekonomi dan Bisnis Indonesia*. Vol. 17, No. 3, 2002, 288 – 303	Switch Behavior Consumer Brand In Purchasing Automotive Products.	Brand switching behavior is caused by previous experience about product and search information via the media
5	Junaidi, S.; Dharmmesta, B.S., *2020, Jurnal Ekonomi dan Bisnis Indonesia.* Vol. 17, No. 1, 2002, pp. 91 – 104	The Effect of Dissatisfaction Consumers, Characteristics Product Category, Dan Search Needs Variations Against Transfer Decision Brand.	Consumer dissatisfaction and consumer needs in seeking diversity influence brand switching behavior.
6	Widyasari 2008, *Jurnal Bisnis dan Ekonomi (JBE), September 2008, Vol 15, No 2, Hal 107 - 127*	Brand Behavior Analysis Consumer Switching In Purchasing Motorcycle Products (Study on Motorcycle Consumers in the Municipality of Salatiga).	Factors proven to Influence brand switching behavior i.e. satisfaction, size consideration sets, and information search about dealer.
7	Purnama, N.I., Siswadi, Y., Mujiatun, S., Jufrizen, J 2021, Jurnal ilmiah Manajemen dan bisnis, 22 (2), 151-163	Brand Behavior Models consumer switching in purchasing automotive products.	Brand image, satisfaction and product quality effect on behavior switch brands

3. NEED/IMPORTANCE OF THE STUDY

This study wants to confirm the factors that cause brand switching behavior among car consumers. This research adopts research conducted by Purnama et al (2021) regarding the behavior of switching brands of car consumers in the city of Medan who found that brand image, product quality and satisfaction affect brand switching behavior. Loprang's research (2015) found that consumers tend to switch brands when purchasing instant noodles mainly due to dissatisfaction, product quality, promotions, prices, and price changes. So, this study wants to replicate these studies with modifications, namely incorporating e-WOM and price changes into the factors that cause brand switching behavior. This modification was made in view of the elimination of by the government which has the potential to cause brand switching behavior

4. STATEMENT OF THE PROBLEM

The formulation of the problem in this study is whether brand image, product quality, satisfaction, e-WOM and price changes; effect on brand switching behavior in purchasing automotive products?

5. OBJECTIVES

The aims of this research are to test empirically:
1. The effect of brand image on brand switching behavior of automotive products.
2. The effect of product quality on switching behavior of automotive product brands.
3. The effect of satisfaction on switching behavior of automotive product brands.
4. The effect of e-WOM on switching behavior of automotive product brands.
5. The effect of changes in price on switching behavior of automotive product brands.

6. HYPOTHESIS

The hypothesis in this study are as follows:
1. Ho1 = There is no significant effect between Brand Image on brand switching behavior partially
   Ha1 = There is a significant effect between Product Quality on brand switching behavior partially
2. Ho2 = There is no significant effect between Product Quality on brand switching behavior partially
   Ha2 = There is a significant influence between Brand Image on brand switching behavior partially
3. Ho3 = There is no significant effect between satisfaction on brand switching behavior partially
   Ha3 = There is a significant influence between satisfaction and brand switching behavior partially
4. Ho4 = There is no significant effect between e-WOM on brand switching behavior partially.
   Ha4 = There is a significant effect between e-WOM on brand switching behavior partially
5. Ho5 = There is no significant effect between price changes on brand switching behavior partially
   Ha5 = There is a significant effect between price changes on brand switching behavior partially.

7. RESEARCH METHODOLOGY

7.1. TYPE, TIME AND PLACE OF RESEARCH

A survey method using questionnaire is conducted as the main instrument in data collection. The writer developed the questionnaire from several research articles adopted in this study. The questionnaire consists of closed and open questions. Data collection carried out in July 2022. The questionnaire sent electronically to respondents. The unit of analysis is carried out at the individual level.

7.2. POPULATION AND SAMPLE

The population of this research is all buyers of automotive products in the form of cars who have switched brands from buying a previous car, within the last three years. Selection of samples using non-probability sampling with convenience sampling technique. Convenience sampling is used to select populations based on the ease of meeting respondents (Sekaran, 2006). Based on consideration of maximum likelihood estimation, Hair et al. (2006) states that a sample size of 50 can provide valid results, although this small sample is not recommended for research. Based on these considerations, researchers took a sample of 125 respondents. The area where the questionnaire was distributed was in West Kalimantan, Indonesia.

7.3. ANALYSIS TOOLS AND TESTING TECHNIQUES

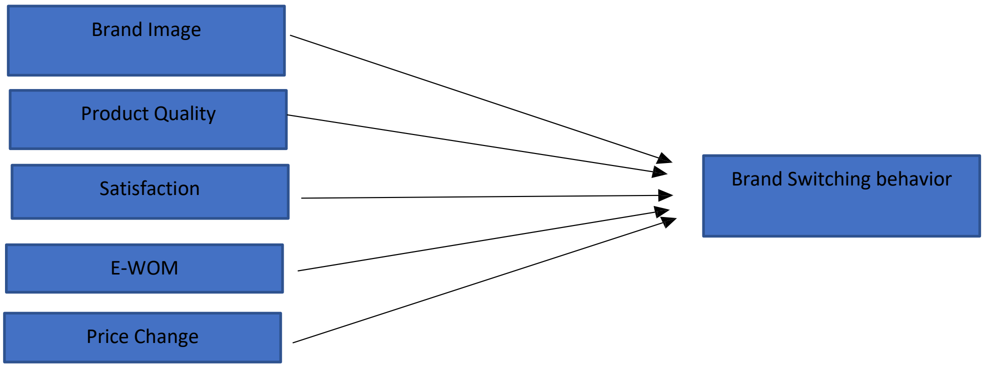
The analytical tool used in this study is multiple regression. Test was carried out in accordance with the number of hypotheses developed to obtain the determinants of automotive consumer brand switching behavior. This calculation was carried out using SPSS software.

7.4. RESEARCH DESIGN

To answer research questions, hypotheses are used so that the research conducted is to answer the existing hypotheses so that the research objectives can be known. This research design was chosen because it is in accordance with the research objectives, namely to test empirically the research questions that have been determined from the start.

The research model is as follows:

FIGURE 1. RESEARCH MODEL



Source: Adapted from Purnama et al. (2021)

8. RESULTS & DISCUSSION

8.1. RESPONDENT CHARACTERISTICS

Data collection for this study was carried out in July 2022 by distributing the questionnaire link from the Google form to potential respondents with the target of getting around 125 questionnaires that were filled in and sent back by the respondents. The number of questionnaires sent back was around 123 data but only 121 data could be processed for the next stage. The following presents the characteristics of the respondents

TABLE 2: DESCRIPTIVE CHARACTERISTICS OF RESPONDENTS

Variable	Number of	Percentages
Gender		
Mail	58	47,9%
Female	63	52,1
Total	**121**	**100%**
Old		
<30	46	38%
30 - 50	56	46,3%
> 50	19	15,7%
Total	**121**	**100%**
Occupation		
Entrepreneur	34	28,1%
Government employees	36	29,8%
Teacher	20	16,5%
Student	17	14%
Housewife	4	3,3%
Health workers	2	1,7%
Et cetera	6	4,9%
No answer	2	1,7%
Total	**121**	**100%**
Respondent's vehicle brand		
Toyota	46	38%
Honda	30	24,8%
Daihatsu	11	9,1%
Suzuki	11	9,1%
Nissan	10	8,3%
Mitsubishi	7	5,8%
Ford	2	1,6%
Et cetera	4	3,3%
Total	**121**	**100%**
First car		
First car purchase	65	53,7%
Car purchase more than one	56	46,3%
Total	**121**	**100%**
Purchasing a car of the same brand		
Purchasing a car of the same brand	20	16,5%
Purchasing a car with different brand	36	29,8%
No answer	65	53,7%
Total	**121**	**100%**

8.2. INDEKS ANALYSIS

Index analysis is useful for obtaining an assessment regarding the determination of brand switching behavior by consumers in purchasing automotive products. The questionnaire distributed in this study used a Likert scale which used an assessment score between 1-5 where a score of 1 (one) for the respondent's answer was very low (strongly disagree) and 5 (five) for the respondent's answer was very high (strongly agreed).

According to Ferdinand (2014: 231), the range of values used as the basis for determining the results of the customer rating index on the variables used in this study, are as follows.

10.00 - 40.00 = Low

40.01 - 70.00 = Moderate

70.01 - 100.00 = High

This analysis is also presented to simplify the form and amount of existing data so that it is easy to understand and assess.

TABLE 3: INDEX VALUE OF EACH INDICATOR

No	Indicator	Amount	Index	Criteria
1	Brand Image Index	375,8	75,2	High
2	Product quality Index	374,1	74,8	High
3	Satisfaction Index	360,4	72,1	High
4	e-WOM index	377,8	75,6	High
5	Price change index	371,8	74,4	High
6	Brand switching behavior index	313,2	62,6	Moderate

Source: Processed Data, 2022

8.3. RESULT OF DATA ANALYSIS

a. RESEARCH INSTRUMENT TEST

1) VALIDITY TEST

Validity testing is carried out using the correlation analysis method. Validity test is used to find out whether each question item posed to the respondent is valid or invalid. The significance value which is below 0.05 and the t count is greater than the t table shows all valid items. Vice versa, if the value shows the significance value which is above 0.05 and the t count is smaller than the t table shows that all of these items are invalid. To find out the value of t table with a significance value of 0.05 tested in two directions with 121 respondents. Degree Of Freedom (df) or degrees of freedom use the formula df = n - 2 (df = 121 – 2 = 119, α = 5%). Therefore, obtained t table of 0.178.

Based on validity test, it shows that of the 40 question item indicators used to measure the variables used in this study, there were 3 question item indicators that were declared invalid because they had a correlation value smaller than 0.178, namely KPR4, KPS5 and PBM2. The remaining 37 indicators/question items were declared valid.

2) RELIABILITY TEST

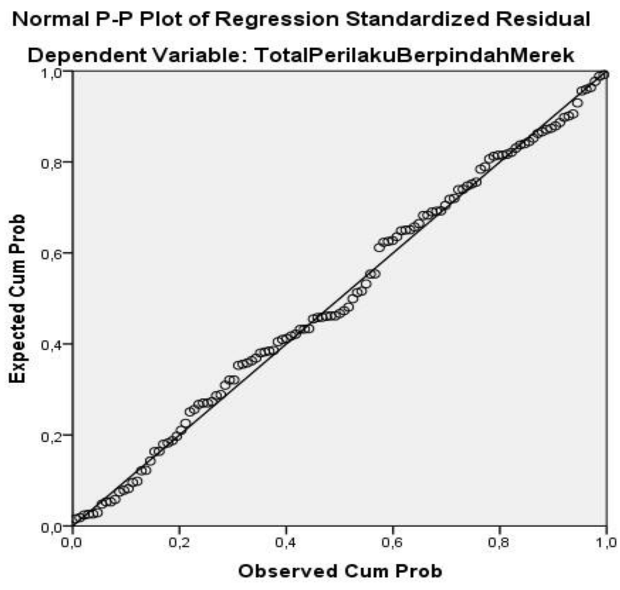
Measuring reliability in this study is to use the Cronbach Alpha formula. According to Nunnaly in Ghozali (2018: 46), if the Cronbach Alpha (α) value of a variable is ≥ 0.70 then the indicators used by the variable are reliable, and vice versa if the Cronbach Alpha (α) value of a variable is ≤ 0.70 then the indicators used by these variables are not reliable. Based on the reliability results for all variables, values of Cronbach Alpha is greater than 0.7 so the conclusion is that the indicators used in this research: brand image variables, product quality, satisfaction, price changes, e-WOM and brand switching behavior can be trusted or reliable to be used as a variable measuring tool.

8.4. CLASSIC ASSUMPTION TEST

1) NORMALITY TEST

Good data is having normally distributed data. This test is carried out using a normal probability plot curve, provided that if the points on the graph spread and coincide to follow the vicinity of the diagonal line, the data used is normally distributed. The results of the normality test can be seen in Figure 2 below.

FIGURE 2: NORMALITY TEST



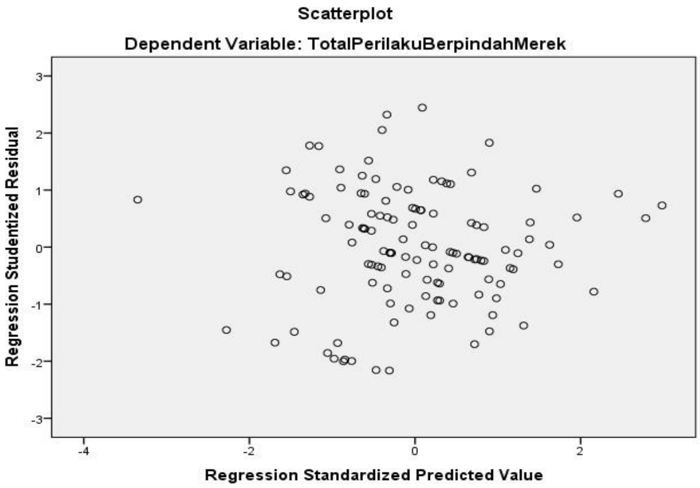
Source : SPSS Processed Data, 2022

The results of the normal probability plot curve show that the points on the graph are attached and follow the diagonal line. This can be interpreted that the data is normally distributed.

2) HETEROSCEDASTICITY TEST

A good regression model is homoscedasticity and there is no heteroscedasticity. Detection of whether there is heteroscedasticity is by looking at the scatterplot graph, if the graph forms a special pattern then the model has heteroscedasticity. However, if there is no clear pattern, and the dots spread above and below the number 0 on the Y axis, means heteroscedasticity is not occur. The detail of heteroscedasticity test result can be seen in Figure 3 below.

FIGURE 3: HETEROSCEDASTISITY TEST



Source : SPSS Processed Data, 2022

The scatterplot graph shows that the points on the graph do not form a clear pattern, where the dots spread above and below the number 0 on the Y axis so that the graph cannot be read clearly. Based on these results it can be said that there is no heteroscedasticity.

3) MULTICOLLINEARITY TEST

To find out whether there is a correlation between independent variables, multicollinearity testing is used. By looking at collinearity statistics, we can detect the absence of multicollinearity, with the provision that if tolerance value of each independent variable > 0.1 and the variance inflation value or VIF value of each independent variable is < 10 then multicollinearity didn't happen. The results show that between the independent variables, all multicollinearity does not occur.

8.5. HYPOTHESIS TESTING

1. PARTIAL HYPOTHESIS TESTING (T TEST)

The t test was carried out to find out how much influence one independent variable individually had in explaining the dependent variable. The detail results of the t test shown by Table 4.

TABLE 4: T TEST RESULT

No	Variable	T count	T Table	Sig
1	Brand Image (X1)	-1,222	1,979	0,224
2	Product Quality (X2)	0,593	1,979	0,554
3	Satisfaction (X3)	-3,233	1,979	0,002
4	e-WOM (X4)	2,833	1,979	0,005
5	Price Change (X5)	1,445	1,979	0,151

Source: SPSS Processed Data, 2022

Based on above table, the following understanding can be formulated.

1). TESTING THE BRAND IMAGE HYPOTHESIS ON BRAND SWITCHING BEHAVIOR

The test results with SPSS for the Brand Image variable (X1) show that t count = -1.222 and t table = 1.979, which means that t count is smaller than T table, namely -1.222 < 1.979 with a significance of 0.224 > 0.05. The significant value above indicates that brand image has a negative and insignificant effect on brand switching behavior. This means that Ho is accepted and Ha is rejected. So the hypothesis which states that there is a significant influence of brand image on brand switching behavior is partially rejected.

Research Cetin et al. (2016) on car owners in Turkey found that there was an effect of brand image and consumer satisfaction on brand loyalty, which means that if the brand image is high, consumers will tend to be loyal to certain brands and reduce brand switching behavior. This is what seems to have happened in this study, because based on the index value of the brand image previously mentioned, namely 75.2, which is in the high category, so in this study the influence of brand image was not proven. This is because the value of the brand image index is high so that respondents tend to have brand loyalty, namely being loyal to the first car brand.

2) TESTING THE PRODUCT QUALITY HYPOTHESIS ON BRAND SWITCHING BEHAVIOR

The test results with SPSS for the Product Quality variable (X2) show the value of t count = 0.593 and t table = 1.979 which means that t count is smaller than t table, namely 0.593 <1.979 with a significance of 0.554 > 0.05. The significant value above indicates that Product Quality has a positive but not significant influence on Brand Switching Behavior. This means, Ho is accepted and Ha is rejected. So, the hypothesis which states that there is a significant effect of product quality on brand switching behavior is partially rejected.

This result contradicts research by Purnama et al. (2021) regarding the brand switching behavior of car owners in Medan City who found that brand image, product quality and satisfaction affect brand switching behavior. The lower the brand image, product quality and satisfaction, the consumer will tend to switch brands. In this study, the product quality index value was high, and this could be the reason why this second hypothesis was not accepted.

3) TESTING OF SATISFACTION WITH BRAND SWITCHING BEHAVIOR

The results of testing with SPSS for the Satisfaction variable (X3) show t count = -3.233 and t table = 1.979 which means that t count is greater than t table, namely -3.233 > 1.979 with a significance of 0.002 <0.05. The significant value above indicates that satisfaction has a negative and significant influence on brand switching behavior. This means that Ho is rejected and Ha is accepted, which means the hypothesis which states that there is a significant effect of satisfaction on brand switching behavior is partially accepted. This means that the higher the satisfaction score, the lower the tendency to switch brands and conversely, the lower the satisfaction score (which means dissatisfaction), the higher the tendency to switch brands.

This study's result are in line with the research of Indriyani and Pasaribu (2020), research by Angamuthu (2019), Junaidi and Dharmmesta (2002), Widyasari (2008) and Purnami et al. (2021) that satisfaction/dissatisfaction influences the decision to switch brands.

4) TESTING THE E-WOM HYPOTHESIS ON BRAND SWITCHING BEHAVIOR

The results of testing with SPSS for the e-WOM variable (X4) show t count = 2.833 and t table = 1.979 which means that t count is greater than t table, namely 2.833 > 1.979 with a significance of 0.005 <0.05. The significant value above indicates that e-WOM has a positive and significant influence on brand switching behavior. So it means that Ho is rejected and Ha is accepted. Therefore, hypothesis which states that there is a significant effect of e-WOM on brand switching behavior is partially accepted.

This research has the similar research results conducted by Purwani and Dharmmesta (2020) and Widyasari (2008) that information seeking through the media influences brand switching behavio

5) TESTING THE PRICE CHANGE HYPOTHESIS ON BRAND SWITCHING BEHAVIOR

The results of testing with SPSS for the Price Change variable (X5) show t count = 1.445 and t table = 1.979 which means that t count is smaller than t table, namely 1.445 <1.979 with a significance of 0.151 > 0.05. The significant value above indicates that price changes have a positive but not significant effect on switching behavior. This result means that Ho is accepted and Ha is rejected. So, the hypothesis which states that there is a significant effect of price changes on brand switching behavior is partially rejected.

These results contradict the research of Indriyani and Pasaribu (2020) which found that price influences the decision to switch brands. This could be due to automotive products whose quality is considered good, even though there are other automotive products that experience significant price changes, it still will not result in a brand change.

9. FINDINGS

The results of this study found that brand image has a negative and insignificant effect on brand switching behavior, product quality has a positive but not significant effect on brand switching behavior, satisfaction has a negative and significant influence on brand switching behavior, e-WOM has a positive influence and significant to brand switching behavior, and price changes have a positive but insignificant effect on brand switching behavior.

10. RECOMMENDATIONS/SUGGESTIONS

Based on findings, brand switching behavior on cars consumer mostly caused by satisfaction and e-WOM. That's why marketer or business owner should emphasize the product and service which can fulfill consumers needs to earn consumers satisfaction and positive word of mouth.

11. CONCLUSIONS

Based on previous section, the conclusions are as follows:

1. Brand image is proved having a negative and insignificant effect on brand switching behavior.
2. Product Quality is proved having a positive but insignificant effect on Brand Switching Behavior.
3. Satisfaction is proved having a negative and significant effect on brand switching behavior.
4. E-WOM is proved having a positive and significant influence on Brand Switching Behavior.
5. Price changes is proved having a positive but not significant effect on switching behavior

12. LIMITATIONS

This study has data on the identity of respondents, namely regarding the behavior of switching brands carried out by some respondents (differences between the first car brand and the car currently owned) but these differences have not been used as the basis for separating the calculations and data processing in order to obtain more accurate results.

13. SCOPE FOR FURTHER RESEARCH

Future research should use all respondents who have demonstrated brand switching behavior so that there is uniformity in the data obtained.

REFERENCES

1. Al Halbusi, H., Tehseen, S. (2018). *The effect of Electronic Word of Mouth (EWOM) on Brand Image and Purchase Intention:* A Conceptual Paper. Socioeconomic Challenges. Vol. 2 (3): pp 83-94
2. Almana, A. M., Abdulrahman, A. M. (2013). *"The Impact of Electronic Word of Mouth on Consumers' Purchasing Decisions".* International Journal of Computer Application, Vol. 82 (Nov): pp 23-31
3. Angamuthu, (2019*). "A Study On Problem With Brand Ownership And Brand Switching Behaviour – Car Owners' Perception In The Coimbatore District"*, Online Journal of Multidisciplinary Subject, Vol. 13 Issue 1, pp.408-421
4. Antara, (2022) Penjualan Mobil 2021 Naik 66,7 Persen. https://otomotif.tempo.co/. Diakses tanggal 12 April 2022 pukul 22:50 WIB
5. Automobile Industry Data, (2022). www.Gaikindo.or.id. Diakses tanggal 12 April pukul 23.00 WIB
6. -----------, (2021). www.Gaikindo.or.id. Diakses tanggal 12 April pukul 23.10 WIB
7. Assael, H. (1998). *Consumer Behavior and Marketing Action* 6th Edition, NY: South-Western College Publishing
8. Cetin, D., Kuscu, A., Ozcam, D.S., Erdem, Y.C., (2016). *"Brand Image, Satisfaction, and Brand Loyalty - How Effective Are They in the Automotive Industry Market Share"*. European Journal of Business and Management. Vol.8, No.7, 2016. Pp 31-35
9. Cooper, D. R. and Schindler, P. (1997). *Metode Penelitian Bisnis*. ed. 5, Jakarta: Penerbit Erlangga
10. Ghozali, M. (2005). *Aplikasi Analisis Multivariate Statistik dengan Program SPSS*, ed. 3, Semarang: Badan Penerbitan Universitas Diponegoro
11. Hair, J. R., R. E. Anderson, R. L. Tatham, W. C. Black. (1998). *Multivariate Data Analysis*, 5th ed. Upper Saddle River, NJ: Prentice-Hall, Inc.
12. Hennig-Thurau, T., Kevin, P.G., Walsh, G., Gremler, D.D. (2004*). "Electonic Word of Mouth via Consumer-Opinion Platform: What Motives Consumers to Articulate Themselves on the Internet?"* Journal of Interactive Marketing. Vol. 18 (1): pp 38-52
13. Indriyani, A.R., Pasharibu, Y. (2020). *"Pengaruh Mencari Variasi, Ketidakpuasan Konsumen, Harga Dan Ewom Terhadap Perpindahan Merek (Studi Pada Pengguna Smartphone Samsung Galaxy Series yang Berpindah ke iPhone)"*. Jurnal Ekobis Dewantara Vol. 3 No. 2 Mei 2020. Hal. 17-27
14. Jogiyanto, H. M. (2006). *Metodologi Penelitian Bisnis: Salah Kaprah dan Pengalaman*-Pengalaman. Yogyakarta: BPFE
15. Junaidi, S.; Dharmmesta, B.S., (2002). *"Pengaruh Ketidakpuasan Konsumen, Karakteristik Kategori Produk, dDan Kebutuhan Mencari Variasi Terhadap Keputusan Perpindahan Merek".* Jurnal Ekonomi dan Bisnis Indonesia. Vol. 17, No. 1, 2002, pp. 91 – 104
16. Juniawan, J.E., Artha Kusuma, A.A. G.A. (2017). "*E-Jurnal Manajemen Unud"*, Vol. 6, No. 10, 2017: 5460-5488
17. Loprang, J.V. (2015). *"Analisis Faktor-Faktor Yang Dipertimbangkan Konsumen Dalam Perpindahan Merek Mie Instan (Studi pada Mahasiswa di Kota Manado)".* Jurnal Riset Bisnis dan Manajemen Vol 3. No. 4. pp. 332-345
18. Nasir, M., Sularso, A., Irawan, B., Paramu, H. (2020). *"Brand Trust For Creating Brand Loyalty In Automotive Products".* International Journal of Management. Volume 11, Issue 06, June 2020, pp. 1237-1250
19. Panduwinata, S. (2016) "*Pengaruh Electronic Word of Mouth pada Citra Merek dan Minat beli Konsumen pada Mobil Toyota"*. Electronic Theses and Dissertation Gadjah Mada University. Tidak Dipublikasikan.
20. Purnama, R. (2017). *Internet Pengaruhi 70 Persen Konsumen dalam Membeli Mobil. CNN Indonesia.* Diakses dari http://m.cnnindonesia.com tanggal 15 Juni 2019 pukul 15.30 WIB.
21. Purnama, N.I., Siswadi, Y., Mujiatun, S., Jufrizen, J. (2021). *"Model Perilaku Brand Switching Konsumen Dalam Pembelian Produk Otomotif".* Jurnal Ilmiah Manajemen dan Bisnis, 22(2), 151-163. https://doi.org/10.30596/jimb.v22i2.7305
22. Purwani, K., Dharmmesta, B.S. (2002). "*Perilaku Beralih Merek Konsumen Dalam Pembelian Produk Otomotif."* Jurnal Ekonomi dan Bisnis Indonesia. Vol. 17, No. 3, 2002, 288 – 303
23. Schiffman, L., Lesli, L.K. (2000). *Consumer Behavior* 7th Edition, NJ: Prentice-Hall, Upper Saddle River
24. Sekaran, U. (2006.) *Research Methods for Business*, Buku 2 ed.5, Jakarta: Penerbit Salemba Empat
25. Widyasari, S. (2008). "*Analisis Perilaku Brand Switching Konsumen Dalam Pembelian Produk Sepeda Motor (Studi Pada Konsumen Sepeda Motor di Kotamadya Salatiga)".* Jurnal Jurnal Bisnis dan Ekonomi (JBE), September 2008, Vol. 15, No.2 Hal. 107 – 127

FLOW OF FOREIGN INSTITUTIONAL INVESTORS AND MUTUAL FUNDS IN THE INDIAN STOCK MARKET: A COMPARATIVE STUDY

NEHA SHARMA
RESEARCH SCHOLAR
DEPARTMENT OF COMMERCE
SAMRAT PRITHVIRAJ CHAUHAN GOVERNMENT COLLEGE
AJMER

Dr. RAJKUMAR NAGARWAL
ASST. PROFESSOR
SAMRAT PRITHVI RAJ CHAUHAN GOVERNMENT COLLEGE
AJMER

SUMITA GURNANI
ASST. PROFESSOR
S D GOVERNMENT COLLEGE
AJMER

ABSTRACT
Mutual funds (MFs) are professionally managed open-ended investment funds that pool money from a variety of participants to purchase securities. Institutional investors, including foreign institutional investors and retail investments, invest in MF. The purpose of the research is to look into the statistical relationship between the FII and the MF. Mutual Funds and FIIs are compared to indicate the entire flow of funds in the stock market.

KEYWORDS
FII net flows, MF net flows, SIP, correlation.

JEL CODE
F30

INTRODUCTION
In the last three decades, large institutional flows have influenced the Indian stock market. Because of their large inflows and withdrawals, FIIs (Foreign Institutional Investors) have always had a significant impact on the Indian stock market.
Our markets just followed their lead; when they invested, our markets rose dramatically, but when they withdrew funds, our markets plummeted like a deck of cards. As a result, this is a critical part of the Indian stock market's operation. However, in recent years, Indian mutual funds have emerged as important players, and their contributions have helped to maintain market stability. Indian mutual funds have formed the foundation of the Indian stock markets in recent years, since they have had consistent inflow from regular investors under the Systematic Investment Plan (SIP).
This article attempts to examine the statistical association between flow of FII and MF into the Indian stock market from 1999 to March 2020. The study will examine the impact both of these institutions have on the Indian stock market, as well as how their flows have changed in response to various global economic crises.

FOREIGN INSTITUTIONAL INVESTORS
After May 1992, foreign institutional investors (FII) were permitted to invest in the Indian stock market. The new LPG (Liberalization, Privatization, and Globalization) regulations have revolutionised the way the Indian economy operates. When it comes to investing in the Indian stock market, the FII has been a key player, and its impact on the Indian stock market's volatility has been significant. FII has been one of the primary drivers in the Indian stock market, and it has had a significant impact on how the Indian markets operate. In the year 1999, there were approximately 56 foreign institutional investors (FII) registered in the Indian capital market, which climbed to 506 by March 31, 2000.
FIIs made a net investment of Rs 10,121.93 crores between 1999 and 2000, which reached a five-year high of Rs 1,01,122 crores in 2019. There were years when they invested Rs. 1,66,127 crores in the Indian debt market and our markets returned 31%, and years when they invested Rs. 1,01,122 crores and our markets returned 14%. FIIs withdrew Rs. 45,811 crores from the Indian stock market in 2008 amid the Global Financial Crisis, and the market fell from 21,206.776 in January 2008 to 7,697.39 in October 2008. This demonstrates the FII's influence in terms of the outflows they have caused and their impact on the Indian economy.

MUTUAL FUNDS
The Unit Trust of India was established in 1963 on the initiative of the Government of India (GoI) and the Reserve Bank of India (RBI). The adventure of Indian mutual funds began. It was in 1993 when private sector players were given permission to launch mutual funds. In April 2020, the total Asset Under Management (AUM) reached Rs. 23,93,486 crores, up from Rs. 47004 crores at the end of 1993.
There are now 43 mutual funds with over 1000 strategies. Every month, over Rs. 8000 crores is invested in the Indian stock market under the Systematic Investment Plan (SIP), indicating that the Indian investor's psychology is maturing. Despite the fact that global and Indian markets have corrected by more than 30%, mutual fund flows have been positive. Mutual funds contributed Rs. 1,15,000 crores in 2017 when the Indian markets returned 27 percent, and Rs. 1,20,000 crores in 2018 when the markets returned 5.6 percent, despite the fact that FII were net sellers to the extent of Rs. 32000 crores. This demonstrates that mutual funds have become a significant support for the Indian stock market, supplying consistent flow of capital to the Indian stock market.

LITERATURE REVIEW
This is a detailed understanding of the study conducted by a number of different researchers. Here is a list of all existing and notable research from the past.

The study "An Empirical Evidence of Dynamic Interaction between Institutional Fund Flows and Stock Market Returns in India," undertaken by (Naik, 2015), looked at a three-factor vector auto regression (VAR) model. They discovered that flow of both mutual fund and funds from FII had a considerable impact on the Indian stock market.

A study on the "Impact of Foreign Institutional Investors (FIIs) on Indian Capital Market" was undertaken by (Kulshrestha, 2014). He gathered information over 11-year period, from 2000 to 2011. His research sought to determine whether foreign institutional investors had an impact on the Indian capital market, as well as whether FII have an impact on the BSE Sensex and CNX Nifty. He employed regression analysis for this research. He discovered a positive association between the FII and the BSE Sensex and the FII and the CNX Nifty. As a result, if FII investment rises, the BSE Sensex and CNX Nifty will rise as well.

(Kotishwar, 2015) investigated "FII & DII Fund Flow Influence of Mutual Funds Inflows and Outflows His intentions were to define the connection between nifty and FII, DII, and MF inflow and outflow, as well as the impact of nifty on MF inflow and outflow. He gathered data for the study during an eight-year period, from 2006 to 2014. He discovered that mutual fund inflows had a negative connection with the secondary benchmark using correlation, regression, and the granger causality test. During the study period, FII, DII, and Flows had an impact on nifty.

(Meman, 2016) in his research work, investigated the "Impact of Foreign Institutional Investments (FIIs) on India Stock Market." He used data from the year 2000 to 2015 for this study, which spanned 15 years. His purpose was to see if FII had any impact on the NSE Nifty. This study used Causal Analysis. He discovered that there is only one-way causation from NSE Nifty to Foreign Institutional Investments (FIIs), and that there is no reverse causality. There is no direct relationship between foreign investments and the movement of the Indian stock market, but there is a direct relationship that the movement of the Indian stock market causes international investors to invest or disinvest in the country's market.

(Dave, 2016) published a study titled "A Study on FII's Investment in Equity Market and its Impact on BSE SENSEX" as part of his research. From the year 2000 to 2015, the data was collected over a period of 15 years. The goal of his research was to see if there was any correlation between the BSE Sensex and FII equity net investments. The Regression Model was employed in this investigation. He discovered that the BSE Sensex has a considerable impact on foreign direct investment (FDI) in India.

A study on the "Impact of Foreign Institutional Investors (FII) on Indian Capital Market" was undertaken by (Abid, 2017). Their idea was to see if there was a link between the Indian stock market and foreign institutional investors. From 2006 to 2016, they collected data for a period of ten years. They employed correlation to conduct their research and discovered that the Indian stock market and FII inflows have a favourable association. As a result, the conclusions of various academics are incongruent, necessitating further investigation into the statistically significant relationship between FII and Mutual Fund Flows in the Stock Market of India.

The study "Effect of Foreign Institutional Investor on Stock Market: Bibliography of Unclassified Literature" was undertaken by (Budur, 2017). His goal was to find out if the FIIs and the stock market had some sort of relationship. According to his research, there is a modest positive correlation between the two, that both the SENSEX and FII inflows have a direct correlation, with the Sensex increasing when there is a favorable FII inflow and decreasing when there is an adverse FII inflow.

"A study on the impact of FIIs and DIIs on the Indian stock market NSE Nifty," according to (Bansal, 2018). Their target was to investigate the behaviour of foreign institutional investors and domestic institutional investors in relation to the Indian stock market, to determine whether there is a positive and significant correlation between institutional investors (both foreign and domestic) and stock market returns in India, and to explore the influence of these investors on the Indian stock market. They collected data for this study during an 11-year period, from April 2007 to April 2018. Using trend analysis, they discovered that when foreign institutional investors (FIIs) invested in the Indian stock market, DIIs disinvested, and vice versa. They learned that the DIIs and NSE nifty had a strongly negative association, but the FIIs had a somewhat favourable relationship.

(Datta, 2019) conducted a study on the topic "Impact of FII (Foreign Institutional Investors) on Indian Stock Market with Specific Reference to Sensex and Nifty." They evaluated data from the years 2007 to 2018 till the end of April for this study. The focus of their study was to look into the relationship and effect of foreign institutional investors (FIIs) on the Indian stock market, with a clear focus on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE), as well as the relationship between FII flows and NIFTY returns. They conducted both qualitative and quantitative research on this. According to the findings of the qualitative research, there is a favourable association between FII investments and SENSEX returns. They used correlation and t-test for their mathematical modeling and encountered that there is a moderate relationship between FII's net equity investments and SENSEX returns, as well as a moderate correlation between FII net equity investments and Nifty returns, and that there is a significant correlation of FIIs flows with both SENSEX and Nifty returns.

(Nalini, 2019) conducted research on the topic "Influence of Foreign Institutional Investors on Indian Stock Market," with the intent of examining the impact of FII on different measures of the National Stock Exchange (NSE). They used a few NSE factors and data for this analysis, which spanned a period of 18 years from 2000 to 2018.

For their data analysis, they used statistical tools including correlation and regression analysis. The regression study revealed that FII has an impact on several variables such as market capitalization, Demat trading, and internet trading. According to the findings, t he FII has a favourable impact on the Indian stock market, according to their report.

OBJECTIVE

The purpose of this research is to determine the statistical association among both the FII and Mutual Fund flows in the Indian Stock Market from 1999 to March 2020.

SCOPE OF THE STUDY

The research is being carried out from 1999 to March 2020. The net flows of both Mutual Funds and FIIs were evaluated for examination in this study. The study's objective is to explore the statistical relationship between FII and Mutual Funds flow in the Indian Stock Market from 1999 to March 2020.

RESEARCH METHODOLOGY

For analysis, the available data (secondary data) was employed. Statistical tools has been used to analyse the secondary data. To showcase the correlation between the two variables, data from several websites such as the NSE, NSDL, Way2Wealth, and CDSL has been compiled for the course of the last 20 years, commencing from April 1999 and ending in March 2020. Mutual Fund Flows (Dependent Variable) is one of the variables, while Foreign Institutional Investors is the other (Independent Variable). Microsoft Excel and IBM SPSS Statistics Version 25 were used to examine the data.

HYPOTHESIS

Null Hypothesis Ho: FII and MF flows have no meaningful association.

Alternative Hypothesis H1: FII and Mutual Fund flows have a substantial relationship.

Correlation, F-Test, T-Test, Regression, and ANOVA were used in this study, and the analysis was completed utilising the aforementioned statistical methods.

DESIGN OF RESEARCH

Casual research, which is intended at evaluating the hypothesis, was used in this study.

ANALYSIS

TABLE 1

Year	FII Net Flows (Rs. In Cr)	MF Net Flows (Rs.In Cr)
1999	6578.1	-1975
2000	6370.5	-81
2001	13498.1	428
2002	3607.7	1340
2003	30737.1	-4
2004	38704.2	-25
2005	46711.9	1627
2006	36393.1	15225
2007	70057.2	6195
2008	-52986.9	13992
2009	83392.4	-5313
2010	133266	-27876
2011	-2714	6653
2012	128360.7	-20593
2013	113026.7	-21188
2014	97736.08	23326
2015	17946.24	71564
2016	21398.26	47818
2017	51949.06	115946
2018	-32628.28	120280
2019	100887.14	51514
2020	-50981.47	39947
	Correlation	-0.333423348

Source: www.way2wealth.com

Note: The data is taken up to 31st March 2020

Correlation

The coefficient of correlation is negative coming upto -0.3334 which indicates that the FII and MF flows have a weak relation. For comparison purposes, from January 2020 to March 31, FII withdrew Rs. -122348.56 crores in January 2020, Rs. 3916.59 crores in February 2020, and Rs. - 209 crores in March 2020 respectively, totalling Rs.-1,18,222.97 crores in three months from the Indian stock market, whereas investment made in mutual funds amouting to 68177.28 from January 2020 to March 31 (Rs. 16020.01 crores in January 2020, Rs. 23392.59 crores in Feb 2020 and Rs. 28764.68 crore). The possible explanation for this indifference is due to Pandemic- 2020 (Novel Coronavirus), which has had a negative impact on the global gross Domestic product, and as a result, FII have withdrawn money from equities and placed it in gold as an alternate solution to equity market, whereas mutual funds, which are receiving large inflows through SIP from retail investors, believe that since markets have corrected around 30%, valuations are cheap and one should do value buying so that when things improve, one can earn greater profit.

TABLE 2

F-Test Two-Sample for Variances		
	FII NET FLOWS	*MF NET FLOWS*
Mean	38650.84318	19414.95455
Variance	3007896968	1581924298
Observations	22	22
df	21	21
F	1.901416503	
P(F<=f) one-tail	0.074527668	
F Critical one-tail	2.084188623	

Source: Compiled by the author using SPSS.

F-Test: The calculated value of the F test is 1.90, which is well below the table value of 2.08 at a 5% level of confidence, indicating that the Null Hypothesis of no significant association between FII and Indian Mutual Fund flows is acceptable.

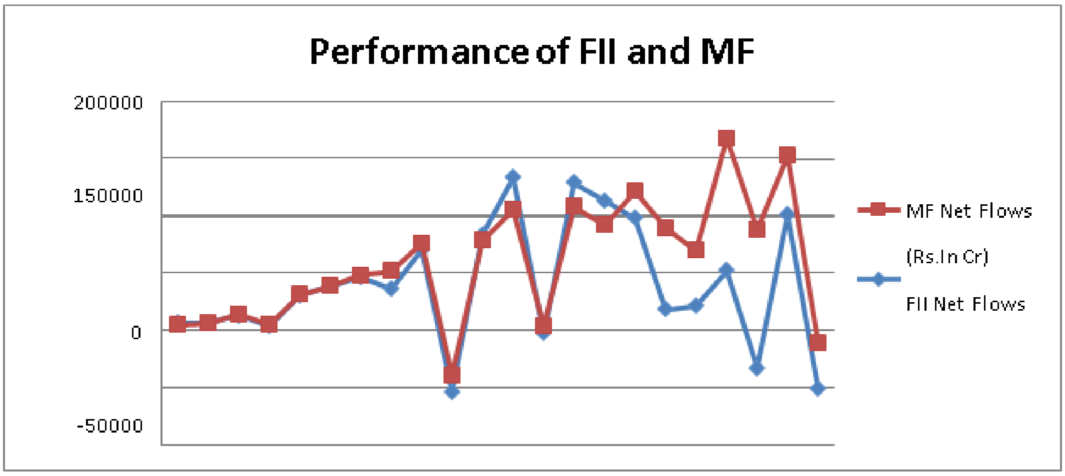
T-Test: The estimated value of the T-test is 0.190, which is less than the table value of 2.02 at a 5% level of confidence, indicating that the Null Hypothesis of no significant association between FII and Indian Mutual Fund flows is accepted.

TABLE 3

t-Test: Two-Sample Assuming Unequal Variances		
	FII NET FLOWS	*MF NET FLOWS*
Mean	38650.84318	19414.95455
Variance	3007896968	1581924298
Observations	22	22
Mean Difference	0	
df	38	
t Stat	1.331759206	
P(T<=t) one-tail	0.095436406	
t Critical one-tail	1.68595446	
P(T<=t) two-tail	0.190872812	
t Critical two-tail	2.024394164	

Source: Compiled by the author using SPSS.

CHART 1: FOREIGN INSTITUTIONAL INVESTORS AND MUTUAL FUNDS NET FLOWS TREND ANALYSIS



Source: Designed by the Author using Excel.

Interpretation

The Net Flows of Foreign Institutional Investors and Mutual Funds are depicted in the graph above. This graph clearly shows that when Foreign Institutional Invest money in the market, investors pull their money from Mutual Funds, and when net inflow of Mutual Funds rise, Foreign Institutional Investors divert funds from the market. As a result, we can conclude that they have a negative connection in respect of Net Flows.

Average flows: Annual FII flows averaged to Rs. 40701 crore between 1999 and April 10,2020, whereas that of mutual fund flows were roughly Rs. 20989 crores. The fact that mutual fund flows were relatively low when compared to FII flows in the initial periods, and that mutual funds were only observers in the market with little impact on the Indian stock market. The influx of mutual funds has accelerated significantly since 2015. All figures in Rupees Crore.

TABLE 4

Year	FII flows	Mf flows
2015	17946	71564
2016	21398	47818
2017	53650	112000
2018	-32000	120000
2019	100000	51000
2020	-51000	39000

Source: www.way2wealth.com

FINDINGS OF THE STUDY

1. There is a negative relationship between FII and MF flows.
2. There is no connection between FII inflows and the inflow of Indian mutual funds.

CONCLUSION

Ever since 1992, when foreign institutional investors were allowed to invest for the first time, they have been a crucial source of capital for the Indian stock market. They have been a powerful element influencing the fluctuations in the Indian stock market since 1999. Indian mutual funds, on the other hand, have flown under the radar in recent years and have emerged as a formidable counterweight to the Indian stock market. Indian mutual funds have been gradually investing through the SIP (Systematic Investment Plan), with Rs.8000 crores flowing into the stock market every month. Even though Indian MFs invested Rs.120000 crores in 2018, while FIIs were net sellers to the tune of Rs.32000 crores, the SENSEX returned 5.6 percent in 2018, owing primarily to mutual fund inflows. This is in contrast to the Financial Meltdown of 2008, when FIIs withdrew Rs.52000 crores from Indian stock markets and the SENSEX returned a negative 52 percent, and the European Union Crisis of 2011, when FIIs withdrew Rs.2700 crores and the SENSEX returned a negative 24.65 percent.

REFERENCES

1. Abid, S. a. (2017). Impact of Forieng Institutional Investors (FIIs) on Indian Capital Market. *IOSR Journal of Nusiness and Management, 19*(6), 42-46. doi:10.9790/487X- 1906034246
2. Budur, R. M. (2017). Effect of Foreign Institutional Investor on Stock Market: Biography of Unclassified Literature. *Asian Journal of Research*, 03-42. doi:10.26739/2433-202x
3. Kotishwar, D. A. (2015). FII & DII Fund Flow Impact of Mutual Funds Inflows and Outflows - A Study. *Madras University Journal of Business and Finance, 3*(2), 87-93. Retrieved fromhttp://journal.unom.ac.in
4. Kulshrestha, H. (2014). Impact of Foreign Institutional Investors (fiis) on Indian Capital Market. *Impact: International Journal of Research in Business Management (IMPACT: IJRBM), 2*(3), 35-52. Retrieved from www.impactjournals.us
5. Meman, M. U. (2016). Impact of Foreign Institutional Investments (Fiis) on Indian Stock market. *Paripex-Indian Journal of Research, 5*(4), 430-431.
6. Naik, P. K. (2015). An Empirical Evidence of Dynamic Interaction between Institutional Fund Flows and Stock Market Returns in India. *Asia-Pacific Journal of Management Research and Innovation, 2*(3), 219-229. doi: 10.1177/2319510X15588385
7. *International Journal of Economic and Business Review, 7*(6), 33-39.
8. Bansal, P. K. (2018, May). A study on impact of FIIs and DIIs on the Indian Stock Market NSE Nifty. *International Journal of Commerce and Management Research, 4*(3), 67-70. Retrieved from www.managejournal.com
9. Nalini, D. R. (2019, June). IMPACT OF FII ON INDIAN STOCK MARKET. *EPRA*
10. Datta, D. B. (2019, December). Impact of FII (Foreign Institutional Investors) on Indian Stock Market with specific reference to Sensex and Nifty. *International Journal of Scientific Research and Review, 7*(12), 85-98. Retrieved from www.ijsrr.co.in

WEBSITE REFERENCES

11. https://www.sebi.gov.in/sebi_data/commondocs/ar99002d_h.html
12. https://www.ibef.org/economy/foreign-institutional-investors.aspx
13. https://www.fpi.nsdl.co.in/web/Reports/Yearwise.aspx?RptType=5
14. https://www.cdslindia.com/publications/FIIFPIInvstmntFinYrData.aspx
15. https://www.sebi.gov.in/statistics/fpi-investment/fpi-calendar-year/fpi-investmentdetails- financial- year.html

16. https://www.bseindia.com/Indices/IndexArchiveData.html
17. https://www.amfiindia.com/research-information/mf-history
18. https://www.amfiindia.com/indian-mutual
19. https://economictimes.indiatimes.com/mf/mf-news/investors-rush-to-mutual-fundsassetbase-grows-over-rs-6-trillion/articleshow/62238938.cms?from=mdr
20. https://www.way2wealth.com/market/fiiactivity/
21. https://www.way2wealth.com/market/mfactivity/

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, Economics & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as, on the journal as a whole, on our e-mail **infoijrcm@gmail.com** for further improvements in the interest of research.

If you have any queries, please feel free to contact us on our e-mail **infoijrcm@gmail.com**.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-
Co-ordinator

DISCLAIMER

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals